POLYCAB INDIA LIMITED
CIN: L31300GJ1996PLC114183
#29, The Ruby, 21st Floor, Senapati Bapat Marg, Tulsi Pipe Road,
Dadar (West), Mumbai -400028
Tel: +91 22 2432 7070-74
Email: shares@polycab.com Website: www.polycab.com

POLYCAB
Connection Zindagi Ka

Date: June 08, 2023

To
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai, MH - 400001

To
Listing Department
National Stock Exchange of India Limited
C-1, G-Block, Bandra-Kurla Complex
Bandra (E), Mumbai, MH - 400051

Scrip Code: 542652 Scrip Symbol: Polycab
ISIN:- INE455K01017

Dear Sir / Madam

Sub: Submission of Annual Report for the financial year 2022-23 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

With reference to the captioned subject, we are submitting herewith the **27th Annual Report** of the Company along with Integrated Annual Report and Notice of Annual General Meeting (AGM) for the financial year 2022-23, which is being sent to the shareholders by electronic mode.

The **27th Annual General Meeting** of the Company will be held on **Friday, June 30, 2023** at **9.00 a.m.** through **Video Conferencing/ Other Audio Visual means** (VC/OAVM).

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management And Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members with the remote e-voting facility to cast their votes electronically on the resolutions mentioned in the AGM Notice using the electronic voting platform provided by National Securities Depository Limited (NSDL). The voting rights of members shall be in proportion to the shares held by them, as on the cut-off date i.e. Friday, June 23, 2023.

The **remote e-voting** period commences on **Tuesday, June 27, 2023** at **9.00 a.m.** and ends on **Thursday, June 29, 2023** at **5.00 p.m**. The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the members participating in AGM through VC/OAVM, who have not already cast their vote by remote e-voting shall be able to exercise their rights in the meeting.

The Annual Report containing the AGM Notice is also uploaded on the Company's website viz. www.polycab.com.

Kindly take the same on your record.

Thanking you
Yours Faithfully
For **Polycab India Limited**

MANITA
CARMEN ALBERT
GONSALVES

Digitally signed by MANITA CARMEN ALBERT GONSALVES
DN: c=IN, postalCode=400104, st=MAHARASHTRA, street=FLAT NO 8BUILDING NO 9PIRAMAL NAGAR S V ROADMUMBAIBESIDES PATEL PETROL PUMP 400104, l=MUMBAI, o=Personal, title=9350, serialNumber=e9923616fb581748338360a9dcca7ddbef53792338962e492591c02f91606f5f, pseudonym=93502023051211157429, 2.5.4.20=d6b37cc9b008ba4c44a5e26aead891e74cc85aea24a8e6ad4562fa78a0802a6d, email=MANITA.GONSALVES@POLYCAB.COM, cn=MANITA CARMEN ALBERT GONSALVES
Date: 2023.06.08 23:09:36 +05'30'

Manita Carmen A. Gonsalves
Company Secretary and Head Legal
Membership No.: A18321
Address: #29, The Ruby, 21st Floor, Senapati Bapat Marg,
Tulsi Pipe Road, Dadar (West), Mumbai, MH-400028

POLYCAB

Amplifying Performance **Powering** Change

POLYCAB INDIA LIMITED

INTEGRATED ANNUAL REPORT 2022-23

Polycab is a leading player in the electrical industry with a glorious track record of over four decades

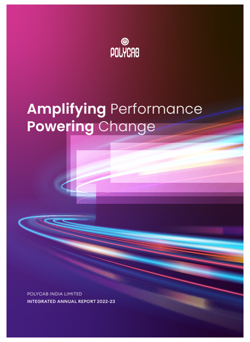
FY23 Highlights

₹141,078 Mn
REVENUE ↑16%

₹12,823 Mn
PAT ↑52%

₹18,912 Mn
NET CASH ↑72%

About the Cover



Like a luminous streak, Polycab embodies transformation, vibrant energy, and rapid progress

Forward-Looking Statement

Certain statements in this report about our future growth and events are forward-looking statements. These statements are subject to a number of risks and uncertainties because they are based on assumptions, facts, or methodologies which may face uncertainties and variations in the future. Actual results may differ significantly from those statements. Except for historical information, these statements include facts, data, Company strategy, mitigation strategies, and objectives. We make no commitment to update any forward-looking statements that may be made from time to time because of future events

Contents

Amplifying Performance **Powering** Change

We continued on our transformation journey in FY23

We executed our Project LEAP strategy and delivered on our plans. Our initiatives related to our strategic themes are well underway, and we have reaffirmed our commitment to becoming a sustainable organisation in FY23

While we have a long road ahead, we are making progress towards achieving our targets and becoming a stronger, more sustainable organisation

Customer Centricity

Redefined our operating model to adopt a more cross-functional and service-oriented approach, with the aim of delivering a superior customer experience

PG 43

Winning with New Products

Devising a portfolio roadmap and increasing our presence across price points to cater to the complete spectrum of customers

PG 45

Go-to-Market Excellence

Broad-based expansion of the distribution network, including into the hinterlands of India

PG 44

Setting up of Organisation Enablers

Transforming ourselves into a digital-first organisation

PG 46

Accelerating our Sustainability Agenda

Innovating for an impactful, equitable, and better tomorrow by driving inclusive growth in the long term

PG 16

About the Report

Integrated thinking at Polycab

Integrated thinking guides our strategy, governance, and prospects, and enables us to deliver consistent value to all our stakeholders

WE ARE LED BY

Purpose
We innovate for a brighter living

Values
i-Power

BUILDING ON

Capitals

Financial Capital | Manufacturing Capital | Intellectual Capital | Human Capital | Social and Relationship Capital | Natural Capital

ENABLED BY

Strategy

Energise B2B Portfolio | Breakout Growth in B2C | Organisational Excellence | Accelerating Our Sustainability Agenda

WITH A FOCUS ON

Opportunities
PG 30

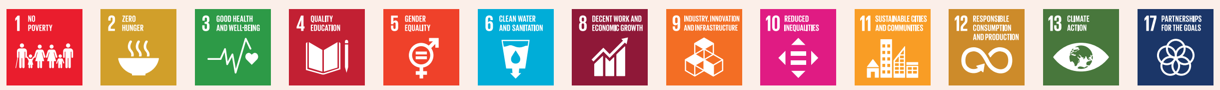
Risks
PG 76

DELIVERING CONSISTENT VALUE FOR

Stakeholders

Investors PG 48
Customers PG 52
Employees PG 56
Value Chain Partners PG 60
Communities PG 62
Environment PG 70

Contributing to the United Nations Sustainable Development Goals (UN SDGs)



Scope of Report

This marks our third Integrated Report, showcasing our dedication to transparent stakeholder communication. Our integrated report communicates our financial and non-financial performance, governance, identified material issues, risks, opportunities, strategy, and prospects to all stakeholders

Reporting Period

1 April 2022 → 31 March 2023

Reporting Boundary

This Report covers information pertaining to, but not limited to, the manufacturing plants and the office premises of Polycab.

Frameworks, Guidelines, and Standards

This Report has been prepared in accordance with the following disclosure formats:

- International <IR> framework of the International Integrated Reporting Council (IIRC)
- The Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards (Ind-AS)
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- National Guidelines for Responsible Business Conduct (NGRBC)
- Secretarial Standards issued by the Institute of Company Secretaries of India

This Report has been prepared with reference to the following standards and frameworks:

- United Nations Sustainable Development Goals (UN SDGs)
- Global Reporting Initiative (GRI) Standards 2021
- Business Responsibility and Sustainability Report

Board Responsibility Statement

Our Board of Directors acknowledge their responsibilities to ensure the integrity of this Integrated Report. The Board has, accordingly, applied its collective knowledge and believes the report addresses all identified material issues, and presents the integrated performance of our Company and its impact in a fair and accurate manner.

Feedback

We welcome feedback on our suite of reports to ensure that we continue to disclose information that is pertinent and conducive to stakeholder decision-making.

Please refer queries or suggestions to: investor.relations@polycab.com.

Assurance

KPMG Assurance and Consulting Services LLP has been appointed for assuring the non-financial information ((Included in the Integrated Report in accordance with the 'limited assurance' criteria of the International Standards on Assurance Engagements ISAE 3000 (Revised)).

PG 92

Value Created for Stakeholders

Creating shared value

We empower and guide stakeholders to collectively create value for all. By fostering trust and transparency, we aim to contribute positively to society and create a sustainable impact that goes beyond our bottom line.

Together, these principles drive our actions and shape our journey towards a future where sustainability, innovation, and passion coexist harmoniously, benefiting our stakeholders, and the world we live in. Together, we define excellence.

Investors

Superior stakeholder returns through optimal utilisation of resources

23.5%
Dividend payout ratio

PG 48

Customers

Best-in-class products and services

99.7%
Customer complaints resolved

PG 52

Employees

Protecting and nurturing our employees

67,000+
Total training hours

PG 56

Economic Value Distributed

(GRI: 201, 2016) (Consolidated)

Economic value distributed refers to the allocation and dispersion of economic value generated by us among our various stakeholders

	FY23	FY22
Operating costs	₹117,989 Mn	₹105,319 Mn
Employee wages and benefits	₹4,568 Mn	₹4,066 Mn
Payments to providers of capital	₹2,692 Mn	₹1,844 Mn
Payment to government	₹3,704 Mn	₹3,340 Mn
Community investments	₹229 Mn	₹194 Mn

Total Value Distributed in FY23
₹129,182 Mn

Total Value Distributed in FY22
₹114,763 Mn

Value Chain Partners

Creating an inclusive ecosystem for partners

70%+
Sustainable sourcing

PG 60

Communities

Empowering beneficiaries through our CSR activities

100,000+
Lives impacted

PG 62

Environment

Minimising our impact on the environment

17%
Contribution of renewable electricity to total electrical consumption

PG 70

Who We Are

Leading ahead

Polycab India Limited is India's largest integrated manufacturer of wires and cables, and a prominent player in the Fast-Moving Electrical Goods (FMEG) industry

Business segments

Wires and Cables (W&C)

We are India's dominant manufacturer and seller of a varied range of wires and cables for retail and industrial use, catering to a diverse customer base across a wide range of industries

₹125,369 Mn

W&C REVENUE

PG 34

FMEG

Our FMEG business, which commenced in FY14, is a high-growth segment. It features a growing product mix across different price points that caters to the complete spectrum of customers

₹12,512 Mn

FMEG REVENUE

PG 35

International Business

Our international business delivers superior electrical products and solutions, tailored to meet the ever-changing demands of our valued customers

₹13,835 Mn

INTERNATIONAL BUSINESS REVENUE

PG 38

How We Create Value

Driven by our purpose and core values, we operate an integrated business model that prioritises value creation at every stage of our value chain, catering to the needs of every stakeholder.

Our Value Chain

Raw material procurement → Semi-finished goods processing (Backward integration) → Manufacturing → Sales and distribution → Customers → After-sales services → EPC → Forward integration

PG 14

Factors Impacting Value Creation

Megatrends and Opportunities	Our Stakeholders	Deep Dive into Our Material Topics	Risk Management
PG 30	PG 18	PG 20	PG 76

Our Strategy (Project LEAP)

Our strategy is key to our transformation journey. Project LEAP is a multi-year transformational programme aimed at having the right building blocks in place which will enable us to achieve break-out growth.

Energise B2B Portfolio
- Recalibrate business model
- Refine value proposition
- Micro market analytics
- Business development

Breakout Growth in B2C
- Create a winning variant ladder
- Redefine brand architecture
- "Digital-first" led execution
- Exploring adjacencies

₹200 Bn
revenue by FY26

Organisational Excellence
- Operating model
- Talent and capability
- Digital & analytics

Accelerating Our Sustainability Agenda
- Renewable energy
- Waste & water recycling
- Inclusive growth
- CSR spends

PG 42

The Industries We Serve

Meeting diverse needs

We are a business charting an exciting course based on sustainability, experience transformation, and technological innovation. Our comprehensive range of products and adherence to the highest customer value proposition enables us to enrich our customers' lives

$350 Bn
Size of IT/ITeS industry by 2025

IT PARKS

RENEWABLES

50%
Cumulative electric power installed by 2030

900 Mn
Active internet users in India by 2025

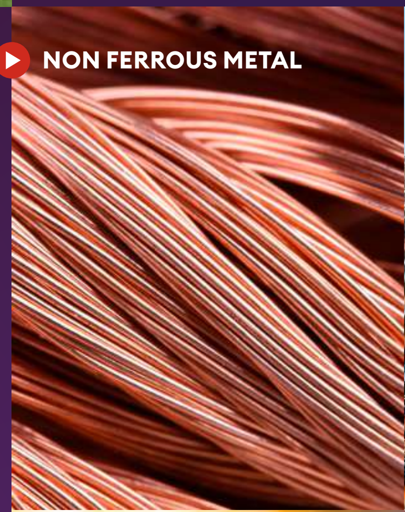
TELECOM

817 GW
India's power requirement by 2030

POWER

6.57%
CAGR of non-ferrous casting market in India by 2027

NON FERROUS METAL



CONSTRUCTION

$1.4 Tn
Size of construction sector by 2025

419.9 MT
Cement demand in India by 2027

REAL ESTATE

$1 Tn
Market size of real estate in India by 2025

8.2%
CAGR of infrastructure in India by 2027

INFRASTRUCTURE

$24 Bn
Size of Indian agricultural sector by 2025

AGRICULTURE

DEFENCE

$84 Bn
Indian defence spending by 2026

CEMENT

15%
CAGR of Indian data centre market by 2028

DATA CENTRES

OIL AND GAS

450 MT
India's oil-refining capacity in the next 10 years

RAILWAYS

40%
India's share of global rail activity by 2050

Source: CEA, Government of India, IBEF, Cushman & Wakefield. All figures mentioned here are forecasts.

AUTOMOTIVE

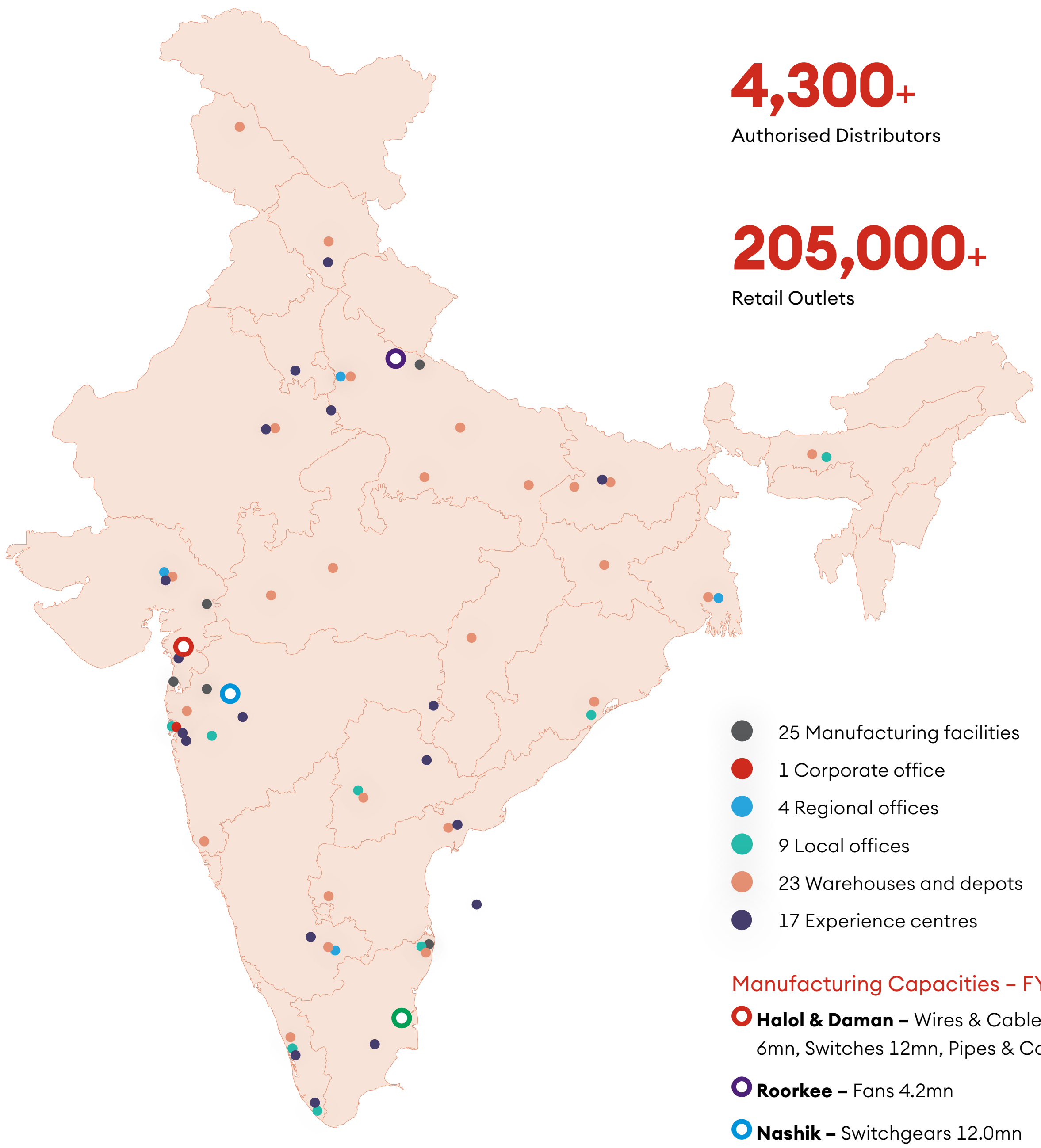
$300 Bn
Size of Indian automotive sector by 2026

Where We Operate

Pan-India presence

Our 25 manufacturing facilities span five strategic locations in India: Gujarat, Maharashtra, Uttarakhand, Tamil Nadu, and the Union Territory of Daman. These state-of-the-art units are equipped with cutting-edge machinery and testing equipment that adhere to both national and international standards

Multi-Location Manufacturing



4,300+
Authorised Distributors

205,000+
Retail Outlets

- 25 Manufacturing facilities
- 1 Corporate office
- 4 Regional offices
- 9 Local offices
- 23 Warehouses and depots
- 17 Experience centres

Manufacturing Capacities – FY23

- **Halol & Daman –** Wires & Cables 5.4mn kms, Fans 6mn, Switches 12mn, Pipes & Conduits 25,000 MT
- **Roorkee –** Fans 4.2mn
- **Nashik –** Switchgears 12.0mn
- **Chennai –** Pipes & Conduits 4,800 MT

Note: Map not to scale

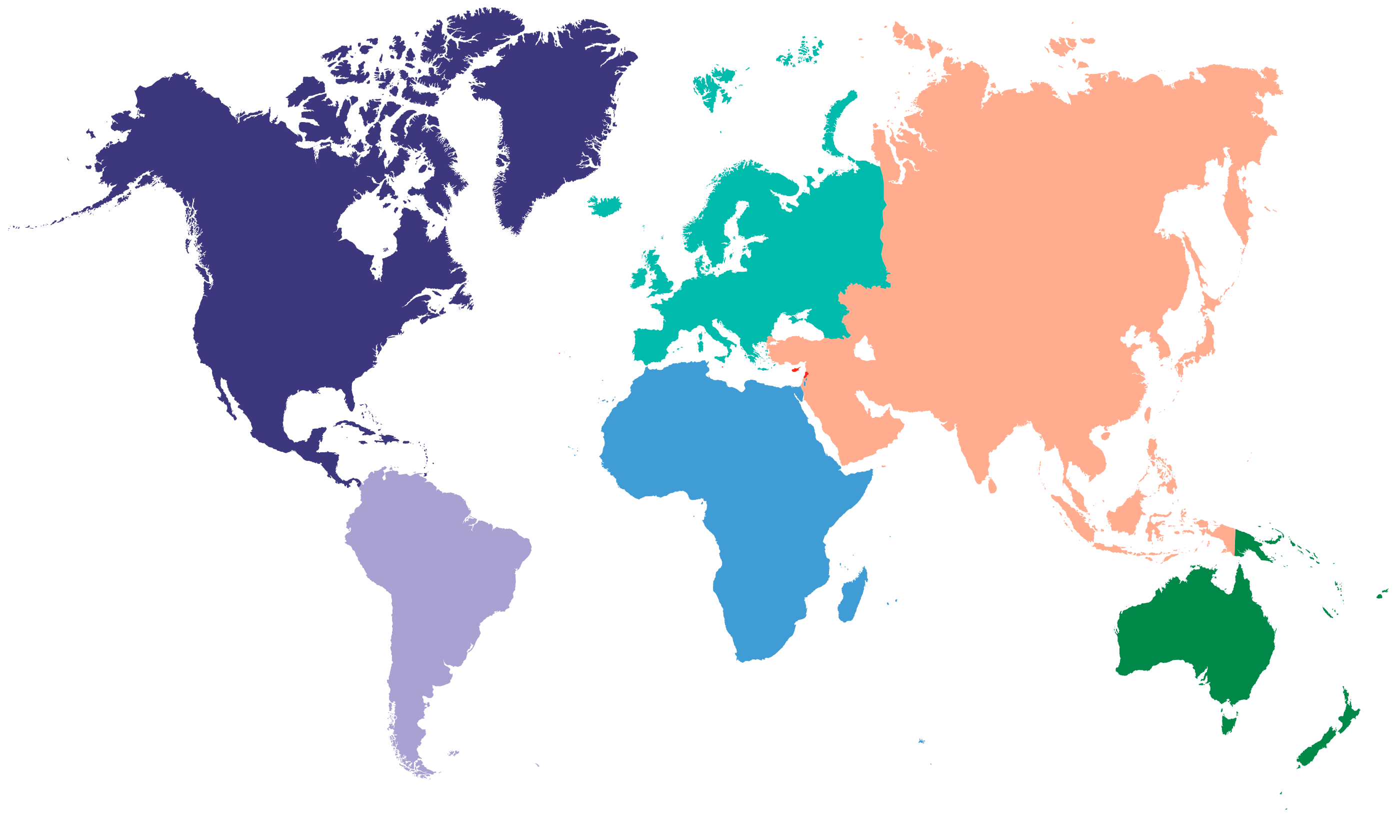
Leaving footprints globally

We strive to become the partner of choice for providing innovative products and services to customers all over the world

FY23 international business performance

Our international business moved closer to achieving its Project LEAP target.

PG 38



International Business Revenue Breakdown

46%
North America

20%
Europe

14%
Asia

11%
South America

6%
Australia

3%
Africa

- North America
- Europe
- Asia
- South America
- Australia
- Africa

What Differentiates Us

Growing on strong foundations

The unparalleled combination of robust manufacturing capabilities, R&D excellence, robust financial fundamentals, strong backward integration, and clear growth strategy underpins our attractive investment proposition

Market Leadership in W&C and Growing FMEG Segment

We are the undisputed market leader in the Indian W&C industry, commanding a ~22%-24% share of the organised market. Our presence is broad-based, with a significant market share in West and South India.

Launched in FY14, our FMEG segment has made remarkable progress, growing at ~30% CAGR in the last 7 years. This growth is driven by an expanding product range across various price points and by leveraging the synergies of our business.

~22-24%
Market share in organised W&C market

~30%
FMEG revenue 7-year CAGR

Robust Financial Position

Our financial capital strategy is based on principles of prudence and sustainable growth. We maintain a strong balance sheet with a superior liquidity profile. Over the last few years, we have continued to deleverage our business, led by improved operating cash flows and stable working capital requirements.

In FY23, we remained net cash positive, driven by sustained EBITDA levels. This has provided our business with stability and financial flexibility.

₹18,912 Mn
Net cash

0.02x
Net Debt-to-equity

High Degree of Backward Integration and Automation

Over the past decade, we have invested heavily in our aluminium rod plants and PVC compound manufacturing facilities to ensure backward integration of our operations. This approach has allowed us to produce high-quality products with improved operational efficiency.

~95%
Products are manufactured in-house

Pan-India Distribution Network

We enjoy a substantial competitive edge thanks to our reliable distribution network. We have established connections with several distributors, with access to many retail outlets, with some of them doing business with us for 2-3 generations. Our dominant position in the market for many years is a testament to our powerful distribution network, long-lasting partnerships, and dedicated customer base.

83%
Contribution of distributors and dealers to revenue in FY23

"Over the past few years, we have enhanced our focus on increasing channel financing, which has reduced our receivable days and optimised working capital

Mr. Sanjeev Chhabra
Executive President and Chief Treasury Officer

Pioneering R&D Capabilities

Our state-of-the-art research facilities enable us to offer a unique value proposition to our customers. We are constantly enhancing our R&D capabilities around crucial raw materials to capitalise on current market trends. Furthermore, our innovative capability enables us to supply specialised products such as eco-friendly power cables, rubber cables, electron-beam irradiated cables, green wires, and BLDC fans.

Polycab Green Wire, an energy-efficient and environment-friendly product that contributes to India's 'Go Green' mission.

Sustained Brand Recognition

We have made a name for ourselves by crafting an impactful narrative in the electrical industry.

Through consistent investments in marketing and brand promotion initiatives over the past few years, we have further strengthened our brand positioning. We plan to continue our B2B to B2C brand journey by following a multi-pronged approach.

POLYCAB | ICC

How We Create Value

Our value creation paradigm

INPUTS

Financial Capital
Financial resources that the Company has or obtains through financing

₹1,498 Mn
Equity share capital

₹18,912 Mn
Net cash

₹66,685 Mn
Net worth

Manufactured Capital
Tangible assets used by the Company to conduct its business initiatives

25
Manufacturing units

23
Warehouses and depots

14
Offices

₹4,584 Mn
Capital expenditure

₹31,461 Mn
Gross block of fixed assets

Intellectual Capital
Intangible, knowledge-based assets

₹343 Mn
Total R&D expenditure

167
Total registered IPR

Human Capital
Employee knowledge, skills, experience and motivation

4,485
People employed on-roll

8,155
People employed on contract

67,000+
Total training hours

56%
Employees trained in skill upgradation

Social and Relationship Capital
Ability to share, relate and collaborate with stakeholders, promoting community development and well-being

₹229 Mn
CSR expenditure

205,000+
Retail outlets

4,300+
Registered distributors

Natural Capital
Natural resources impacted by Company's activities

24 MW
Renewable energy capacity

₹58 Mn
Environment expenditure

206.76 Mn KWH
Total electricity consumption

760+ Mn litres
Water consumption

VALUE CREATION PROCESS

Governance
PG 74

Businesses
(W&C and FMEG)

Raw material procurement → Semi-finished goods processing (Backward integration) → Manufacturing → Sales and distribution → Customers → After-sales services → EPC → Forward integration

Performance
PG 34

Our Purpose
We Innovate for a Brighter Living

Our Values

I Innovative Mindset
Giving wings to novel ideas

P People at the Core
Caring about our people and their growth

O Obsession for Customer
Serving to create delightful experiences

W Winning Together
Collaborating and celebrating wins

E Entrepreneurial Drive
Bringing new possibilities to life with passion

R Renew
Being courageous, resilient, and agile

Functions Enabling Value Creation

- Manufacturing
- Marketing
- CSR
- EXIM
- Human resources and administration
- Energy management
- Secretarial and legal
- Supply chain
- Finance and accounts
- IT and digital
- Environment management
- Research and development

Strategy and Resource Allocation
PG 42

Risk Management
PG 76

OUTPUTS

Wires and Cables

SKUs
12,000+
Sales
₹123,203 Mn

FMEG

SKUs
7,000+
Sales
₹12,404 Mn

OUTCOMES

Financial Capital

₹141,078 Mn
Revenue

₹18,429 Mn
EBITDA

₹12,823 Mn
Profit After Tax

₹84.9 per share
EPS

25.7%
Return on Capital Employed (RoCE)

200%
Proposed Dividend

Manufactured Capital

10+
Range of FMEG products

0.20 KV - 220 KV
Range of W&C

~95%
Sales from products manufactured in-house

2
New factories set-up

Intellectual Capital

23
IPR registered in FY23

110
IPR applied in FY23

Human Capital

0.09
LTIFR

719
New Joinees

65%+
Employees associated for 5+ years

Social and Relationship Capital

100,000+
Lives impacted

98%
Customer satisfaction

70%+
Sustainability sourcing

Natural Capital

17%
Electricity from renewable resources

24,000+ tonnes
Emissions avoided due to renewable energy

77+ Mn litres
Water recycled

Accelerating our Sustainability Agenda

Championing sustainability

We have advanced in our sustainability journey and aligned ourselves more closely with our stakeholders. In FY23, we prioritised our material issues and identified strategic enablers and objectives

"At Polycab, we are sensitive to the needs of the changing planet, and we strongly believe sustainability and profitability go hand in hand. Innovating for an impactful, equitable tomorrow is thus the core of every decision we make

Mr. Bhushan Sawhney
Executive President and Chief Business Officer – LDC & HDC

ESG Framework

STAKEHOLDERS PG 18 → **ESG MATERIAL TOPICS** PG 20 → **STRATEGIC ENABLERS** → **PURPOSE-LED GROWTH**

Stakeholders

- Investors
- Customers
- Employees
- Value Chain Partners
- Communities
- Environment

ESG Material Topics

Environmental Stewardship

- Climate change and energy
- Water management
- Waste management

Social Inclusion

- Health and safety
- Diversity and inclusion
- Employee training
- Responsible supply chain
- Corporate social responsibility

Governance and Ethics

- Corporate governance, ethics, and transparency
- Data privacy and cyber security

Strategic Enablers

Purpose

ESG Policies and Initiatives

ESG-related policies, procedures, and code aligned with global frameworks and standards which underpin our ESG initiatives

Risk Management Committee | CSR & ESG Committee

Validation and Evaluation

- Robust sustainability governance
- Informed by stakeholder dialogue
- Guided by sustainability rating and ranking

Values

Purpose-Led Growth

Stakeholder Value Creation
Long-term sustainable growth

Alignment with Intergovernmental Instruments
- India's Nationally Determined Contributions (NDCs)
- Paris Agreement

Impacting Communities
Creating a positive impact on society

Our Stakeholders

Understanding needs and expectations

It is crucial for us to understand our stakeholders. By actively engaging with them on a regular basis and being proactive in our approach, we strive to align our business objectives with their expectations, thus staying true to our purpose

Maintaining a Social License to Operate

Our operations are guided by a deep understanding of the importance of stakeholders and creating a mutually beneficial environment.

Investors

Why are stakeholders important to us?

Investors provide capital to the business, as well as valuable feedback on our financial, non-financial, and strategic performance.

How do we engage with them?

Formal results presentations every quarter of the financial year. We hold an AGM every year. Frequent meetings/ calls either directly or through various investor conferences.

Their material issues

- Leadership in Wires and Cables
- Strengthening FMEG market position
- Business diversification
- Strengthening brand recognition
- Product stewardship
- Corporate Governance, Ethics, and Integrity

PG 48

Customers

Why are stakeholders important to us?

Customers are important for revenue generation and improving products through feedback.

How do we engage with them?

Through regular contact through various digital and offline mediums to understand what is important to them, and evaluate the service we provide.

Their material issues

- Material sourcing and efficiency
- Customer centricity
- Product stewardship
- Data Privacy and Cyber Security

PG 52

Employees

Why are stakeholders important to us?

Our employees put our strategy into practice, live our culture, and enable us to achieve our purpose. Ultimately, they create value for our stakeholders.

How do we engage with them?

We use our relevant employee forums, alongside relevant training and development programmes.

Their material issues

- Employee training and development
- Diversity and inclusion
- Health and safety
- Labour management

PG 56

Value Chain Partners

Why are stakeholders important to us?

Their vital contributions to our business is through provision of robust supply chain and high quality raw materials on a timely basis.

How do we engage with them?

We work to find mutually effective ways to communicate and collaborate with each group. The highest standards of health, safety, and security underpin everything we do.

Their material issues

- Responsible supply chain
- Distribution network
- Influencer training and engagement

PG 60

Communities

Why are stakeholders important to us?

We want our products and activities to have a positive impact on the local community. To achieve this, we need to have good relationships and understand local people's needs.

How do we engage with them?

We consult local communities ahead of all development activities and maintain the relationships following completion.

Their material issues

- Corporate social responsibility

PG 62

Environment

Why are stakeholders important to us?

Being a responsible business and incorporating activities that benefit the environment is an important agenda for us.

How do we engage with them?

Various initiatives in the areas of climate change, water, and waste management among others to make a positive environmental impact.

Their material issues

- Climate change and energy
- Waste management
- Water management
- Material sourcing and efficiency

PG 70

Deep Dive into Our Material Topics

Identifying what matters the most

Our materiality assessment helps us evaluate ground realities, better understand the external environment, and align our priorities in a pragmatic way. These periodic evaluations enable us to authenticate our business model and make informed decisions to maximise value creation

Addressing Material Topics through Project LEAP

At Polycab, addressing our material topics is a top priority. We achieve this by striving to integrate business strategy with sustainable practices, whether it be creating a positive impact on the environment or people. Our Project LEAP initiative, through the implementation of innovative and ethical practices, will transform us into a more sustainable organisation.

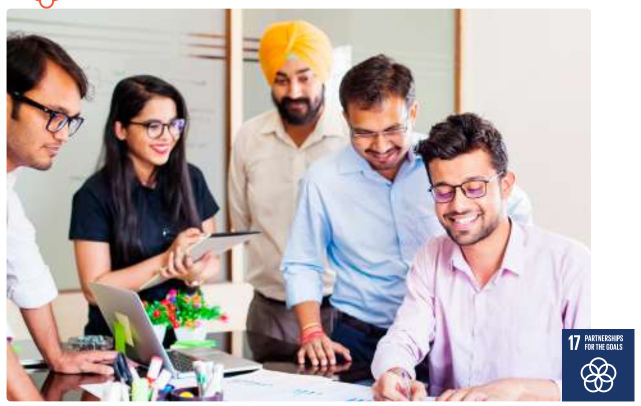
Material Clusters

Economic

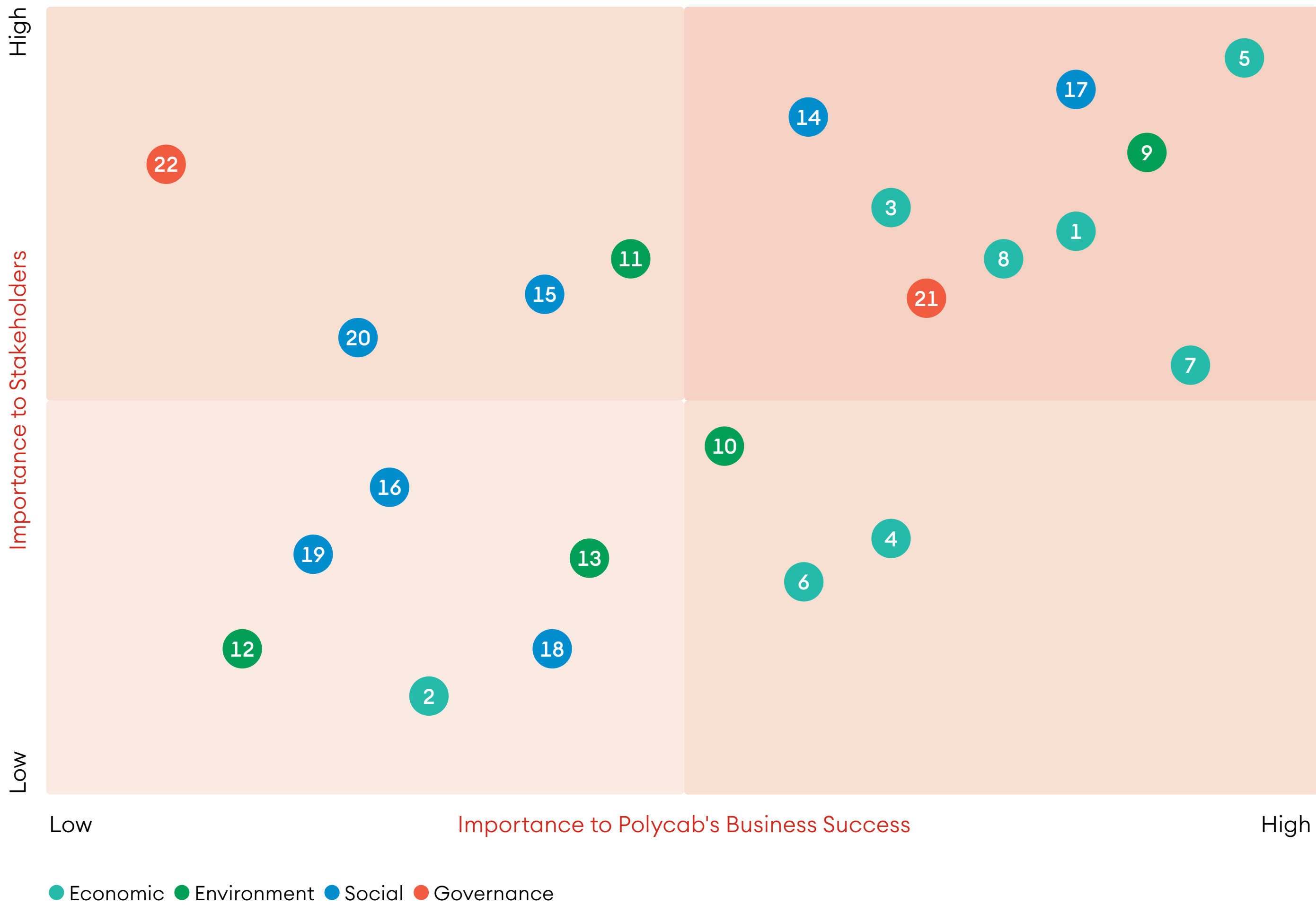
Environment

Social

Governance



Materiality Map



Material Topics*

Our materiality matrix shows 22 topics, grouped into four material clusters that we focus on in this Report.

1 **Strengthening FMEG Market Position**
2 Business Diversification
3 **Distribution Network**
4 Responsible Supply Chain
5 **Strengthening Brand Recognition**
6 Leadership in Wires and Cables
7 **Technology and Digital Transformation**
8 **Innovation**
9 **Climate Change And Energy**
10 Waste Management
11 Water Management
12 Material Sourcing and Efficiency
13 Product Stewardship
14 **Health and Safety**
15 Diversity and Inclusion
16 Employee Training and Development
17 **Customer Centricity**
18 Influencer Training and Engagement
19 Corporate Social Responsibility
20 Labour Management
21 **Corporate Governance, Ethics, and Integrity**
22 Data Privacy and Cyber Security

*Priority topics are highlighted in bold

Message from the Chairman and Managing Director

Reimagining possibilities, accelerating transformation

"We continued to deliver a strong performance in FY23, registering the highest-ever revenue and PAT in the history of our Company. This was achieved on the back of the healthy volume growth in the Wires and Cables business"

Inder T. Jaisinghani

Dear Esteemed Stakeholders,

I hope that this Report finds you and your families safe and well. As I reflect over the year, the age-old adage "Necessity is the mother of invention" comes to mind, reaffirming that change is not only inevitable but it also empowers and enables people to thrive in new situations.

Against the backdrop of global turbulence and disruption, India's remarkable ascent shines as a beacon of hope for billions of its citizens. And as India has undergone a transformation, so has Polycab.

We executed our ongoing multi-year transformation, Project LEAP, and strengthened the resilience of our business. Following a clear roadmap, we aim to not only reinforce our leadership in the B2B space but also transition into being a leading B2C player. With a sales target of ₹200 billion by FY26, we are committed to advancing our market position through strategic initiatives that enhance our organisational, digital, and functional excellence.

₹141 Bn

Topline milestone achieved

9.8%

Contribution of International Business to total revenue

Reflecting on a Year of Triumphs

We continued to deliver a strong performance in FY23, registering the highest-ever revenue and PAT in the history of our Company, on the back of healthy volume growth in our Wires and Cables (W&C) business. Our excellent performance demonstrated the strength of our execution capability, effectively leveraging our strong market position, robust distribution network, and favourable market conditions.

One notable highlight of the year was the impressive growth we achieved in our international business, which saw a remarkable 50% YoY increase on a healthy base, driven by strong orders from key markets including USA, Europe, and Asia. Our international business now contributes to 9.8% of the total revenue in FY23, up from 7.6% last year.

Our strategic focus in the international business is to position ourselves as the preferred provider of cable and wiring solutions, by delivering superior products, exceptional service, and expanding our distribution network for faster delivery. We are confident that these efforts will enable us to capture a greater share of the market and continue to drive growth in the years to come.

Poised for Growth

India's growth story remains fundamentally sound, with the Economic Survey projecting a 7.0% increase in Gross Domestic Product (GDP) for FY23. This, along with a predicted GDP growth of 6.5% in FY24, indicates that India is well poised to enter a new phase of expansion.

Moreover, the Indian government is helping upgrade one of the biggest drivers of economic growth–infrastructure. The recent Budget 2023-24, which announced a capex outlay of ₹10 trillion towards infrastructure, will give a significant boost to India's overall growth and development, improving various sectors of the economy.

At Polycab, we are excited to seize the opportunities that lie ahead and create value for our stakeholders. We have developed strategic plans to tap into the potential offered by multiple sectors, including defence, railways, electric vehicle industry, data centres, and telecommunications domains, among others.

Looking ahead, our key growth catalysts include growth in B2C business, sustained demand in the B2B segment, and expanding the international business. Our entry into the EHV segment also promises long-term potential.

With our extensive distribution network and in-house manufacturing capabilities, we are well-positioned to achieve a robust growth trajectory.

"Looking ahead, our key growth catalysts include growth in B2C business, sustained demand in the B2B segment, and expanding the international business. Our entry into the EHV segment also promises long-term potential"

Message from the Chairman and Managing Director

Project LEAP

Maintaining strong connections with stakeholders remains our beating heart. Our transformational initiative, Project LEAP, will establish the framework for our future success and help create unmatched value. We believe that Project LEAP will serve as the foundation of Polycab's prosperity, and this is just the beginning of what we aim to achieve.

Amplifying Performance.
Powering Change.

Four strategic themes to drive growth

Customer Centricity
PG 43

Go-to-Market Excellence
PG 44

Winning with New Products
PG 45

Setting up of Organisation Enablers
PG 48

Embracing a Digital-First Approach

An important aspect of our transformation into a stakeholder-centric organisation is our commitment to becoming a leader in technology adoption and innovation. We are striving to become a digital-first organisation geared towards creating value for our stakeholders. Towards this end, we have created a digital vertical that will help us strengthen our business objectives by focusing on end-to-end digitalisation of front-end sales, enhancing customer experience, and enabling access to relevant data to perform deep analytics to better understand customer demand.

Our continued investments in building capacities and deploying state-of-the-art technologies, combined with our robust R&D efforts, strengthened our brand position and allowed us to stay ahead of the curve. Our goal is to deliver on our brand promise of establishing a lasting connection with end-consumers for generations, and technology will be a powerful enabler in realising this vision.

"At Polycab, our charter for the future is to drive growth responsibly and sustainably, aspiring to be a sustainability leader in our industry"

Preparing for a Sustainable Future

At Polycab, our charter for the future is to drive growth responsibly and sustainably, aspiring to be a sustainability leader in our industry.

I am proud to report that we have made significant progress in this direction by formulating our Environment, Social, and Governance (ESG) framework and charter. We have identified our ESG material topics, keeping in mind our business and its effect on the environment and society as a whole. We have also finalised work streams and milestones within each category. We will report the progress we make on each of these goals transparently through a robust Assurance Programme.

I firmly believe that this new framework will enable us to build resilience in the business, transform culture, and create long-term value for all our stakeholders.

Governance

Since our listing, we have made significant progress in establishing a strong governance framework rooted in our core principles of integrity, transparency, reliability, and proactivity. To ensure compliance with industry standards, we have developed an in-house tool that monitors over 4,000+ activities across key areas of our business.

As part of our unwavering commitment to upholding the highest standards of corporate governance, we have strengthened our Board by inducting three additional directors. The new Board is more diverse, with 18% of the seats held by women directors, aligning with global best practices in governance.

We firmly believe that a diverse Board enhances decision-making and promotes transparency and accountability, and we are proud to have taken this step toward building a stronger and more effective leadership team. We remain steadfast in upholding the highest standards of governance and driving sustainable growth for our stakeholders.

Imperatives for the Future

As we enter the new financial year, we recognise that new opportunities and avenues are emerging in the external business environment. The demand environment for Wires & Cables is expected to be robust, supported by the government's increased focus on infrastructure growth within the Country.

With a strong and dynamic team, a comprehensive product portfolio, and a customer-centric approach, we are confident in our ability to leverage these opportunities and generate value for our stakeholders.

Our business fundamentals remain strong, and we expect our performance to reflect the resilience of our business model. With our growth strategy under Project LEAP, we are confident in realising our long-term aspirations.

"Our business fundamentals remain strong, and we expect our performance to reflect the resilience of our business model. With our growth strategy under Project LEAP, we are confident in realising our long-term aspirations"

In Gratitude

I would like to extend my heartfelt gratitude to all our employees, leadership team, and all stakeholders, including our investors, customers, channel partners, brand ambassadors, bankers, consultants, and well-wishers, for their unwavering support and belief in our abilities. We look forward to another year of triumphant performance, driven by our unrelenting pursuit of excellence.

Inder T. Jaisinghani
Chairman & Managing Director

Q&A with CFO

On the right track to transformation

In this interview, our CFO Gandharv Tongia shares his reflections on FY23, discusses his thoughts for the year ahead, and explains why he believes that Polycab's distinctive customer proposition and long-term opportunities will continue to generate sustainable growth and add value

Gandharv Tongia

Q. Project Leap has completed two years. How has its progress been?

The progress achieved under Project Leap is in-line with our FY26 growth aspirations. Towards our goal of achieving ₹200 billion of top-line by FY26, from roughly ₹88 billion in FY21, we have already crossed ₹140 billion of revenues in FY23. While complete details on how we achieved this are available in other sections of the Integrated Report, I would like to highlight the top strategies that have made considerable progress in each of the four key work areas of Customer Centricity, Go-to-Market (GTM) excellence, New Product Development (NPD), and Setting up of Organisation Enablers.

Under customer centricity, the merger of heavy-duty cable (HDC) and light-duty cable (LDC) verticals–undertaken during FY22–enabled us to achieve highest ever volume growth in FY23, allowing the Company to post top-line growth, despite the negative impact of reduced commodity prices. Realising the benefit of the merger, we undertook mergers of the Fans vertical with the Lights vertical and Retail Wires vertical with Switches and Switchgears verticals during the year. Considering the significant overlap between the distributors as well as customers, the mergers will be highly beneficial to the customers as well as revenue generative and cost-effective for us.

The Etira brand–launched last year to cater to the mass-price segment under our NPD focus area–performed very well, contributing to ~12% of the Retail Wires top-line since its launch. During the year, we also introduced the Etira brand in our switches category. Our green wires category relaunched last year also did very well. Under the setting up of organisation enablers area, we set up our Digital vertical during the year, with the aim of moving towards transforming the Company into a digital-first organisation. The digital vertical is focused on driving our business objectives through the complete digitalisation of sales processes, improving customer experience, and utilising data analytics to gain a better understanding of customer demand. Towards the end of the year, we also upgraded our Enterprise Resource Planning (ERP) technology to the latest version of Oracle. This will allow us to utilise relevant business insights in real-time and deliver more accurate business decisions.

As part of Project LEAP, we have set a target for the international business to contribute 10% to our top-line. I am proud to share that in FY23, our international business already achieved a remarkable 9.8% contribution to our top-line, demonstrating significant progress towards our goal.

Q. FMEG top-line de-grew during the year. What can we expect going ahead?

The fast-moving-electrical goods (FMEG) business was affected during the year due to the dual impact of a subdued demand environment on account of high inflation and the internal restructuring of our FMEG distribution channel. To augment our capability to scale up the business at a faster pace, over the past year, we have been on a drive to rejig our distribution channel, wherein we tied up with large distributors having higher capacity to invest in business and have remapped the smaller existing distributors to the larger ones. The transition necessitated a gradual decline in inventory that we supplied to our outgoing channel partners, affecting the performance of our business. Having completed the restructuring exercise, we expect the sales to gradually start improving from FY24 onwards.

In parallel to the restructuring exercise, we also undertook various initiatives which we believe will act as levers of growth for the FMEG business segment. We tied up with Ogilvy for our advertising and promotion (A&P) activities and Interbrand to help us establish the Polycab brand in the mind of the customers. We also ramped up our annual spending on A&P activities. During the year, we have tied up with the International Cricket Council (ICC) as the official sponsor for their three major cricket events of 2023, namely, the ICC Women's T20 World Cup, the ICC World Test Championship Final in the United Kingdom, and the ICC Men's ODI Cricket World Cup 2023. Through our acquisition of Silvan last year, we improved on our R&D efforts for the FMEG business segment to help us with new product development and innovation. We have also scaled up our structured influencer management programme to push our FMEG product sales.

We also established our in-house switch manufacturing plant in Daman, and a new fan manufacturing plant in Halol, which will help ensure better product quality and availability. As I mentioned earlier, we undertook the merger of verticals with significant

Q&A with CFO

overlap of customers to improve customer centricity as well as established a digital vertical to perform deep data analytics to gauge customer demand. Through all these initiatives, we have been focused on addressing the five pillars of visibility, availability, customer centricity, attractiveness, and push marketing for improving our top-line growth.

To improve our margins, we are pursuing premiumisation by leveraging the pull being created by our branding activities as well as product innovation, focusing more on better margin product categories of switches and switchgear, strengthening backward integration, and achieving economies of scale on the back of in-house manufacturing.

Combined, through all these efforts, we expect our FY24 FMEG top-line growth to be better than industry growth, as well as our margins to start improving gradually towards our FY26 EBITDA margin goal of 10–12% in the FMEG segment.

Q. Global commodity prices such as Copper, Aluminium, etc., have witnessed sharp volatility during the year. How has the volatility affected your top-line and bottom-line, and how do you mitigate these risks?

Commodity prices, which witnessed a sharp uptick post the Russia-Ukraine conflict in February 2022, gradually wore off during the year. However, various global macros have kept the prices volatile during the year. While the tapering off of prices affected value contribution to the business' top-line, the volume growth of mid-teens witnessed during the year helped us post impressive top-line growth.

Polycab has a unique advantage in the Indian wires and cables industry landscape due to the pricing options we have in our raw material procurement contracts. This helps us negate the volatility in commodity prices. This advantage allows us to maintain our margins on an annualised basis, within our guided range, irrespective of the volatility or direction of movement in the commodity prices–an advantage that has held us in good stead during this particular year of commodity price volatility.

Utilising our optimised distribution network, along with the pricing advantage and fully digitalised end-to-end sales that allows us to deliver our products to any distributor generally within a period of 24 hours from placement of order, we maintained optimum inventory with us, negating the impact of commodity price volatility, allowing our dealers and distributors to carry lower inventory, without having to take a view on the direction of commodity price movement and hence make sustainable margins.

Q. The Company has high cash reserves and business is generating strong Free Cash Flows. What is your capital allocation strategy?

We see four use-cases for our capital. Being a manufacturing firm, with almost all products manufactured in-house and strong backward integration, the most important use of capital for us is capex. During CY23, we expect to incur capex of between ₹6 billion and ₹7 billion distributed roughly as three-fourth towards the Wires and Cables (W&C) business and one-fourth towards the FMEG business. Within the W&C business, a lion's share of the capex would be utilised for setting up our new EHV manufacturing plant in Halol, Gujarat. The remaining will be used for maintenance and green and brownfield projects. On the FMEG side, capex will largely be towards brownfield projects and maintenance of existing manufacturing facilities. The second use case is for inorganic growth. We continue to explore the market for any partnerships or deals with tech-driven companies, similar to Silvan, which can help us in our R&D efforts in the FMEG business or augment our W&C capabilities. Thirdly, we reserve some cash as a buffer on our balance sheet. Lastly, we would distribute the remaining as dividends to our shareholders or use it to buyback shares and improve our RoE profile.

Q. What has driven the considerable improvement in Working Capital Days?

We embarked on an expedited journey to improve our working capital profile post our IPO in 2019. Having historically been an institutional-led business, our receivable days were quite high, in-line with other industry peers, as one needs to provide a credit period to the institutional customers. However, we have gradually moved on to be a distribution-led business, with roughly 83% of our sales now, on a consolidated basis, being done through our distribution channel. Over the past few years, we have been successful in improving the penetration of distribution channel finance and have agreements with certain channel partners for advance payment. As at the end of FY23, we had 83% penetration of channel finance together with advance payment with our wires and cables channel partners. This helped us to reduce receivable days.

We have also achieved a reduction in our inventory days by optimising our inventory levels, streamlining the supply chain, and digitalisation of end-to-end sales. We have employed an advanced supply chain management system and have integrated it with ERP to minimise stockouts at depots. We also utilise mobile supply chain applications to track the movement of goods from source to finished goods. During this year, we have also implemented an inventory management solution from a renowned consultant which has further helped us optimise FMEG inventory. Payable days for us are generally a few days less than inventory days and it will continue to stay so.

Overall, I believe we have fairly optimised our working capital days for our business over the period and will continue in the similar range going ahead.

Q. How is the Digital strategy of the Company shaping up?

As I mentioned previously, we have set up a new Digital vertical in the Company, separate from the back-end IT vertical, with the aim of moving towards transforming the Company into a digital-first organisation. We have created a digital roadmap, with projects to be executed across both B2B and B2C businesses to achieve various goals such as excellence in distribution, better management of leads and loyalty, retailer incentive, data analytics for improvement in sales, and more. We have also created a digital council that owns the digital roadmap and will work towards raising the digital and innovation maturity of the organisation.

We have also undertaken various projects for our back-end IT systems such as upgrading to a higher version of the ERP, implementing analytics tools to aid better data analytics, rehashing internal systems for better data management, and many more. With the increase in instances of data hacking globally, cybersecurity is another area of focus for us.

Q. How are you embedding ESG in business strategy?

Polycab has always been conscious of its responsibility towards the environment and society and has, over the years, taken various initiatives to embed ESG in its day-to-day business operations. During the year, we engaged a reputed management consultant to develop our long-term ESG framework, which will guide us in our sustainability efforts in a structured manner. We have developed our materiality matrix and have identified topics to be worked upon with high priority. Governance of our ESG efforts will be looked upon by the Board, the CSR and ESG committee, and the ESG Council, which comprises of all relevant function heads. The implementation, monitoring, and reporting of our ESG initiatives will be undertaken by the ESG Working Group. We have defined KRAs for each of these topics and have linked the KPIs of all members of the ESG Working Group to achievement of these KRAs. At the Company level, we have also taken on medium and long-term measurable targets to be achieved wherever possible. Going ahead, we will measure and disclose our ESG performance transparently and holistically through a robust assurance programme for the benefit of and evaluation by all our stakeholders. As a Company, our purpose is to "Innovate for a brighter living", and I believe, our new ESG framework is a step ahead in the right direction.

Q. Any takeaway message for our readers?

Polycab has had an amazing journey over the years, exhibiting growth across economic cycles, and it is all thanks to our stakeholders, including the shareholders, dealers & distributors, suppliers, bankers, partners, colleagues at the Board and, employees. I am very confident that, with all your continuing support and trust, we will be able to achieve our Project LEAP vision and excel beyond it to make Polycab a leading player not only domestically but also internationally.

Gandharv Tongia
Executive Director and CFO

Megatrends and Opportunities

Seizing growth opportunities

As a leading player in the global market, we are cognisant of the need to stay agile and adapt to a constantly evolving external environment. With megatrends becoming increasingly intertwined, we are aware of the impact they can have

The consumer electrical industry contributes ~1.5% of India's GDP

The Bigger Picture

FY23 saw India emerging to become the world's fifth-largest economy. It was a display of the country's robust resilience that helped it surpass pre-pandemic growth levels despite a challenging business environment.

The upcoming two decades present a remarkable opportunity for India to usher in a new global era. With a focus on world-class infrastructure, investment-oriented policies, and reforms, India aims to become a manufacturing and technology hub.

India is set to solidify its position as the world's third-largest electricity producer and second-largest consumer. As India makes progress, the consumer electrical industry is poised to grow along with it.

Numbers Supporting India's Growth Story

Rising tide of India's per capita income

$5,242

Forecasted per capita income of India in 2030

Favourable demographic profile

28

Median age of India's population

Growing nuclearisation

3.9

Projected household size by 2030

Rise of digital India

95%

Expected digital penetration by 2025

Trends Shaping Growth

01 Infrastructure Growth

The Indian government has placed a significant emphasis on the development of traditional infrastructure.

By investing in these critical areas, the government seeks to facilitate the movement of goods and people, reduce transportation costs, and spur economic growth across the country.

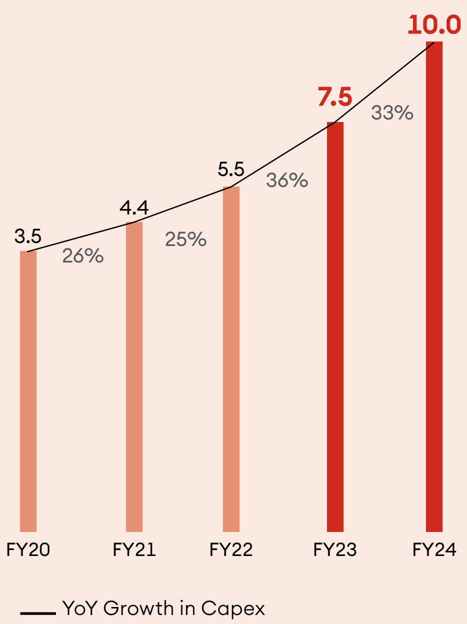
3.3%

GDP spend on infrastructure

Impact

- W&C
- Lights
- Fans
- Switches and Switchgear

Central government Capex
(₹ Tn)



High | Medium

02 Policy Reforms

The government of India has imparted a new dimension to reforms, focussing on creating public goods, reducing logistics costs, adopting trust-based governance, and creating a favourable business environment.

Snapshot

GST

The introduction of GST brought many structural changes to the business scenario such as the elimination of cascading tax effect, fewer compliances, and regulation of unbranded players.

Insolvency and Bankruptcy Code

The Insolvency and Bankruptcy Code has brought about a cultural shift in the dynamics between lenders and borrowers, and promoters and creditors, thereby improving competition in India.

PLI Scheme

The PLI scheme, which provides sales-based incentives to companies, is leading to the development of a growth ecosystem that is self-sustaining and thriving.

Export Reforms

The government has introduced various conducive export policies such as the Remission of Duties or Taxes on Export Products (RoDTEP) scheme, Advance Authorisation Scheme (AAS), and the Export Promotion Capital Goods (EPCG) Scheme to facilitate international trade.

PMAY

The government targets construction of 12 million and 28.5 million houses in urban and rural India respectively under its 'housing for all' scheme.

Integrated Power Development Scheme

The government has brought in much-needed reforms to the power distribution system and strengthened India's sub-transmission and distribution networks.

Impact

W&C, Lights, Fans, Switches and Switchgear

Megatrends and Opportunities

High Medium

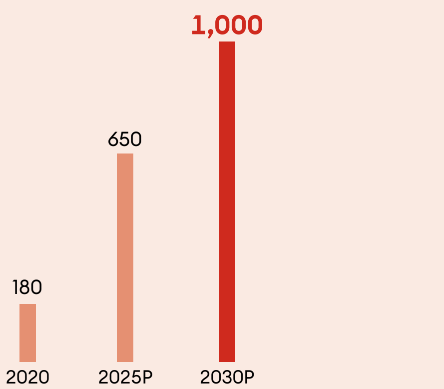
03 Revival of India's Real Estate sector

The Indian real estate sector demonstrated strong resilience to global uncertainties in 2022 and came out of a prolonged downcycle and registered growth across the entire real estate verticals, residential, commercial, retail, and warehousing.

Impact

- W&C
- Lights
- Fans
- Switches and Switchgear

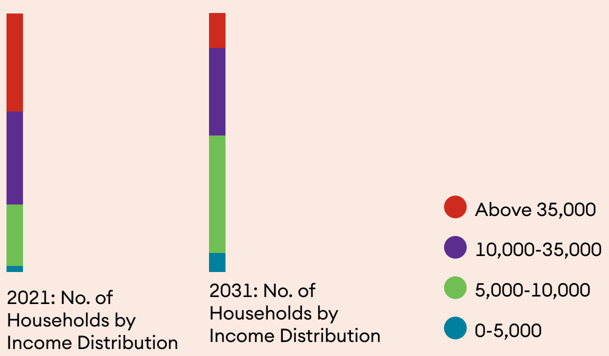
Market size of Real Estate in India
($ Bn)



04 Premiumisation

Growing middle-class and rising disposable income is driving customer preference for safe, quality, smart, user-friendly, and experience-based products leading to increasing demand for premium products.

India's income distribution, 2021 and 2031



Impact

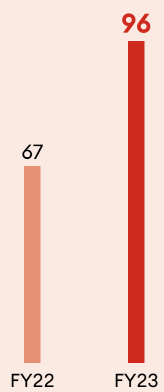
W&C, Lights
Fans, Switches and Switchgear

05 Rural Electrification

The government of India has introduced the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), to expand electrification to all parts of India. As at 2023, a total of 290 million households have been electrified, with seven states reporting 100% household electrification.

96%
Indian households have electricity

India's progress on household electricity access
(%)



Impact

- W&C
- Lights
- Fans
- Switches and Switchgear

06 Telecom Industry

The Indian telecom industry, currently the second largest globally, is primed for substantial growth. This growth is propelled by factors such as government initiatives like BharatNet, affordable tariffs, increased accessibility, and rollout of 5G coverage among others.

1.17 Bn
India's subscriber base

3.8 Tn
Expected Revenue of Telecommunication Services Industry by 2025

Our completion of the TANFINET project will mark a significant milestone in our commitment to Digital India. We are proud to play a pivotal role in reducing the distance between the government and citizens, enabling reliable and secure access to digital services

Mr. Ashish D. Jain
Executive President &
Chief Operating Officer
(Telecom Vertical)

Impact

- W&C

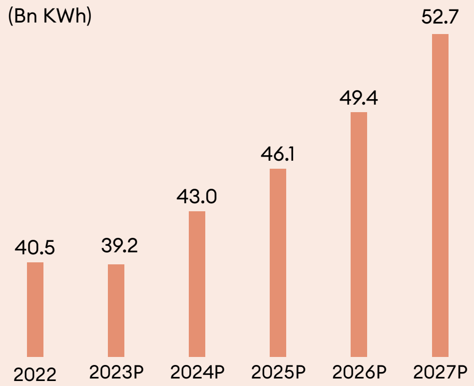
07 Push Towards Renewable Energy

As a part of the Paris Agreement, India has announced its ambitions to achieve net zero emissions by CY70. India is planning to install 500 GW of renewable energy capacity by CY30, which is expected to involve an investment of at least ₹2.4 trillion. Moreover, India's energy demand is expected to increase in the coming decades due to its sheer size and enormous potential for growth.

Impact

- W&C

Solar energy production
(Bn KWh)



08 Diversifying Global Supply Chain

The past two years have witnessed significant transformations in global supply chains, primarily driven by the disruptions caused by the pandemic and the Ukraine-Russia conflict. Consequently, companies worldwide are actively diversifying their supply chains to mitigate supply chain risks.

During this period, the dynamic nature of the global landscape has prompted businesses to reevaluate and enhance their supply chain strategies, seeking to reduce vulnerability and enhance resilience in the face of unforeseen challenges.

Impact

- W&C

Peaked
Global supply chain pressure index 4.3 standard deviations above its historical mean*

*Federal Reserve Bank of New York Impact

Business Review

W&C Business

We cemented our position as the market leader with our focus on quality, innovation, and brand recognition that differentiates us from our peers in the Wires and Cables industry. Our strong distribution network and diverse product offerings make us the preferred choice for customers

How the Business Performed

During the year, our W&C business grew impressively, expanding by 17% YoY to reach ₹1,25,369 million, fuelled by strong volume gains and a robust demand environment. Notably, we achieved the highest volume production in the history of our Company.

Our distribution channel became more robust through effective management, driving sales and revenue growth, while ensuring timely and efficient product delivery.

On the profitability front, our margins improved to 13.1% thanks to a favourable business mix and well-considered price revisions.

Overall, our growth can be attributed to our execution of strategic initiatives, including district penetration, white space coverage, team restructuring, and influencer management, expanding our reach and strengthening customer relationships.

Project LEAP

Customer Centricity

The HDC and LDC merger was instrumental in driving the outperformance of the W&C business in FY23

PG 43

Go-to-Market Excellence

PG 44

FY23 Highlights

₹1,25,369 Mn
Revenue
17% YoY growth

₹16,447 Mn
EBIT
58% YoY growth

Building the Nation

By supplying wires and cables for critical infrastructure projects, we actively contribute as partners in India's growth story


Goa International Airport

Agenda for FY24

We merged the Heavy Duty Cables (HDC) and Light Duty Cables (LDC) last year, moving us closer to becoming a one-stop solution shop for our customers. These strategic efforts, alongside other Project Leap initiatives, have significantly improved revenue and streamlined efficiencies throughout our value chain.

Moving forward, we are committed to executing more such initiatives under Project LEAP to further enhance our capacity to deliver customised solutions and exceptional service.


Samruddhi Mahamarg

FMEG Business

At Polycab, we are implementing a multi-faceted approach to expand our FMEG business and achieve growth. Our goal is to redefine our value proposition to customers, empowering them to adopt a modern lifestyle that places safety and convenience at the forefront

How the Business Performed

During the year, our FMEG business de-grew marginally, as we took strategic steps to set the foundation for future success.

With our partnership with Ogilvy and Interbrand, the improvement of R&D through the acquisition of Silvan, and scaling up of our influencer management programme, we invested in the future of our FMEG business. These strategic moves will expand our customer base, increase revenue, and drive sustainable growth.

Project LEAP

Winning with New Products

With a focus on innovation, we are well poised to tap into the growing opportunities in the FMEG industry

PG 45

FY23 Highlights

₹12,512 Mn
Revenue

30%
CAGR of revenue over the past Seven years

"Through digitalisation, we are constantly engaging with customers, influencers and the channel to not only drive revenue in B2C, but also become the preferred brand

Mr. Nikhil R. Jaisinghani
Executive Director

Agenda for FY24

We have completed the restructuring of our distribution channel by partnering with larger distributors and dealers who have a higher capacity to invest in our business. As a result, we anticipate a gradual improvement in sales volume from FY24 onwards.

With the necessary building blocks in place, we are confident in our ability to achieve top-line growth for our FMEG business that exceeds industry levels in FY24, while also improving our margins. Our goal is to achieve an EBITDA margin of 10-12% in the FMEG segment by FY26, as we remain committed to delivering sustainable value to our stakeholders through innovation and strategic initiatives.

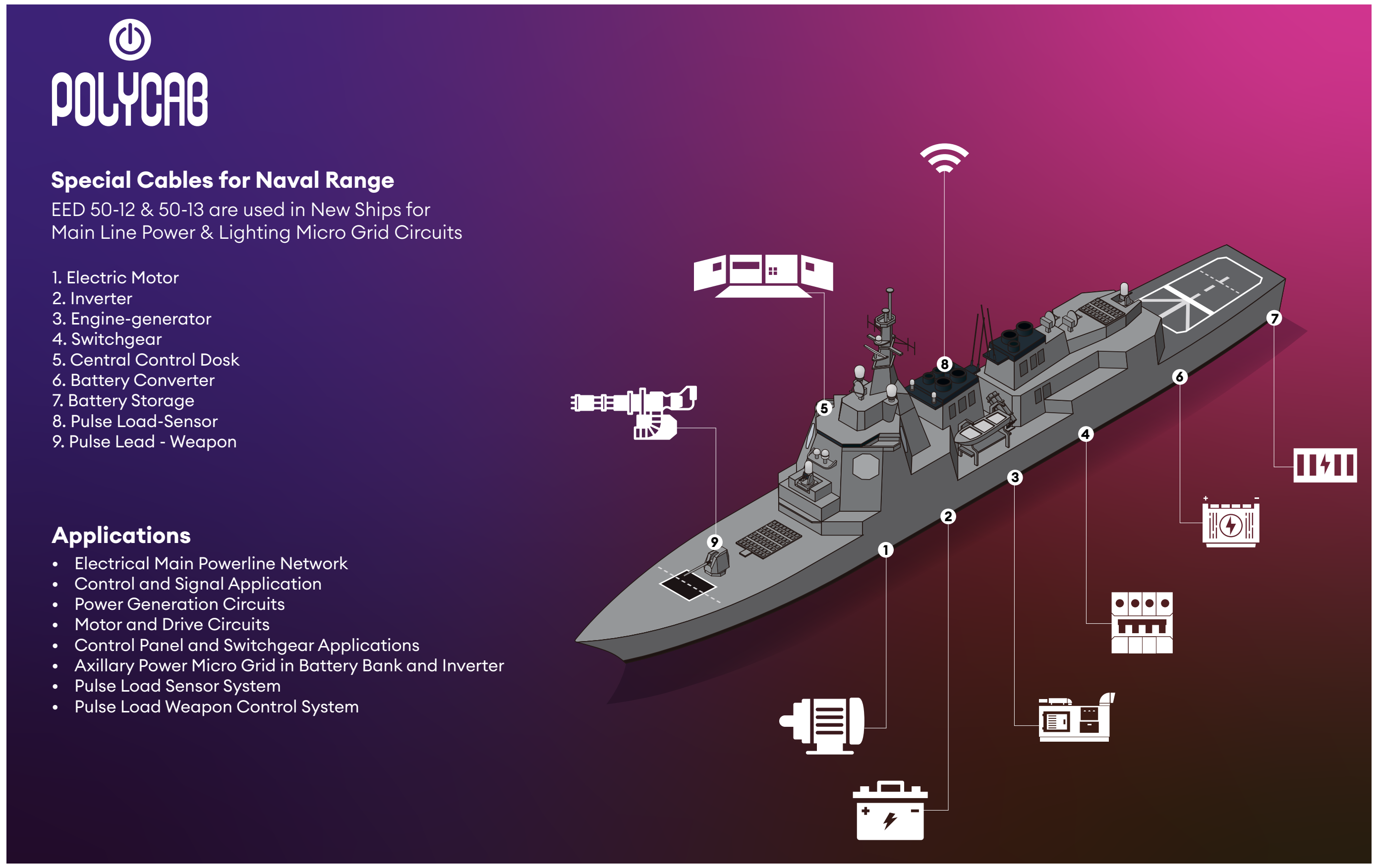
Product Development Highlights

Going beyond the expected

The reputation we have earned for our quality and innovation is built on a solid foundation of continuous R&D that pushes the boundaries of what is possible in the industry. We are committed to sustainability and eco-friendliness, ensuring that our products contribute to a better, cleaner, and more efficient world

W&C Business

Electrifying India's Growth



Connecting India

In 2022, we embarked on an ambitious project in partnership with Tamil Nadu FibreNet Corporation Ltd. (TANFINET) under the BharatNet Phase-II initiative.

As part of this project, we are committed to providing end-to-end connectivity with high-speed bandwidth using Optical Fibre Cables to **3,095 gram panchayats across 8 districts in the state.**

Sustainable Products for the Future

Polycab Green Wire is our flagship product spearheading our Go Green initiative, It ensures more safety with low smoke and toxic gas emissions, and fire resistance.

Going even further, we have designed an HFFR wire and a high-speed charging cable for EVs that can withstand tremendous load and temperature, aiding superfast charging for EVs.

FMEG Business

Leading with Innovation

We have our own line of smart home automation products– Hohm. This product line is specifically designed to cater to a rapidly growing market that is currently valued at $4.43 billion.

Hohm empowers modern-day consumers with an enriched experience, providing them with a smarter lifestyle.

We launched ~40 new models of star-rated ceiling fans in the designer, celebration, and tech series.

We make intelligently designed MCBs with instant tripping technology to ensure reliability, safety, and an uninterrupted power supply to consumers.

Switchgear FY23 Highlights

- Successfully completed CB and KEMA certification of MCB 10kA series. This will help us increase our presence in the international market
- Launched the second series of MCB with 6kA for the domestic and international market

International Business Review

Tapping into new growth avenues

We have a clear focus on establishing ourselves as the preferred provider of cable and wiring solutions in key geographies. We strive to achieve this by delivering high-quality products, exceptional customer service, and innovative solutions that cater to the unique needs of our customers

"Our international business' performance has been a key growth driver for our Company, and we are proud to have achieved significant success in this area. By expanding our reach in these markets, we are not only creating new revenue streams for our Company but also establishing ourselves as a leading player in the global marketplace

Mr. Anurag Agarwal
Executive President (Strategic Initiatives & New Businesses)

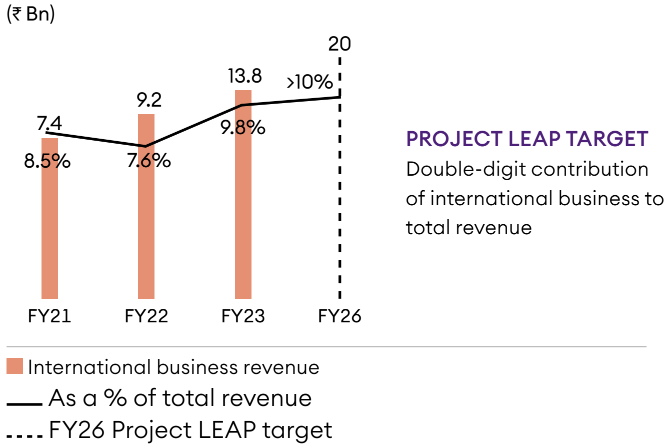
Project LEAP

As part of Project LEAP, we have dedicated significant effort over the past few years towards new product development, obtaining necessary approvals, and expanding into new geographies. This effort is now bearing fruit, as we are witnessing repeat orders from large customers across the globe. We are committed to achieving a double-digit contribution target over the medium term from this business.

PG 42

Tracking our Progress

(₹ Bn)



FY23 International Business Performance

Our international business recorded strong growth of 50% YoY on a healthy base, led by strong demand in USA, Europe, and Asia, and from key sectors such as Renewables, Oil and Gas, and Infrastructure.

In FY23, our international business contributed to 9.8% of our total revenue. Our unwavering commitment to achieve a double-digit top-line contribution through our international business remains a top priority.

FY23 Highlights

70
Countries served

₹13,835 Mn
International Business revenue

9.8%
Contribution of International Business to total revenue

Megatrends and Opportunities

Regulatory Landscape

The growing emphasis on sustainability has resulted in the introduction of environmental regulations. Furthermore, governments across the globe are now providing incentives to encourage the uptake of renewable energy and electric vehicles (EVs) as part of their efforts to combat climate change.

Implications for Polycab

- Usage of sustainable and safer sources of raw materials in products to ensure access to key geographies such as the US and EU
- Expected increase in demand for wires and cables used in renewable energy projects such as high-temperature-resistant cables

International Business Strategy

Strengthening our Distribution Network

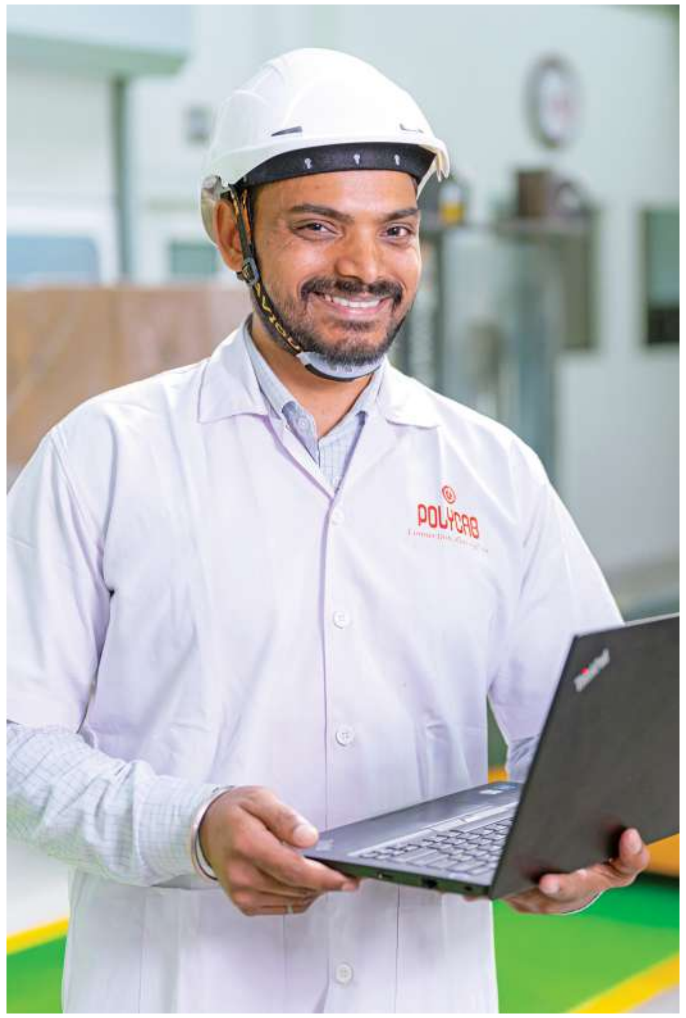
Collaborate with new distributors and wholesalers in key regions and enhance relationships with existing partners

Building Brand Visibility

Increase brand visibility through targeted advertising and marketing campaigns to build a strong brand image

Developing New Products

Develop new, innovative products that align with market trends and customer preferences to stay ahead of the competition and strengthen our market position



Manufacturing and Innovation Highlights

Investing in the future

In a VUCA environment, where demand for our products is constantly changing, being future-ready and leveraging our resources are crucial to maintaining our competitive edge

Capacity Expansion

During the year, we established our first state-of-the-art, fully compliant, switch manufacturing plant with a yearly installed capacity of 12 million units.

This move aligns with our strategic objective of gradually increasing the proportion of switches and switchgear within our FMEG basket, as they yield higher profitability.

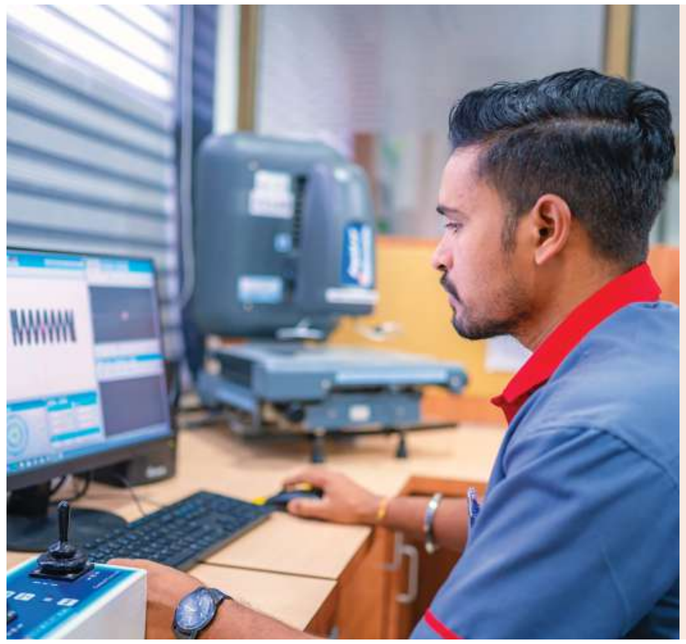
The market demand for switches and switchgear, an integral component of electrical systems, is projected to grow at a CAGR of 12%, reaching ₹460 billion by 2026.

~65%

Women employees at new greenfield project in Daman

12 Mn/year

Switches capacity



Quality Evaluation

Our new switch plant has a top-class fully automated testing laboratory for product evaluation.

100%

Testing of switches and sockets before sending them to the market

"Our state-of-the-art switch plant aligns with our strategic goal of boosting profitability by expanding into high-margin products

Mr. Ishwinder Singh Khurana
Executive President & Chief Business Officer (Power BU)

Agenda for FY24

To strengthen our manufacturing capabilities, we have planned to invest between ₹6-7 billion in capex in CY23. Three-fourths of this investment will go towards our Wires and Cables (W&C) business. The remaining funds will be allocated to the FMEG business. We will use a portion of these funds to maintain our current manufacturing facilities, with a major portion going towards undertaking greenfield and brownfield projects.

This investment will enable us to increase our production capacity, meet rising demand, and expand our market share.

Entering the Extra High-Voltage (EHV) market

India's growing power demand, especially in Tier 1 and 2 cities and smart cities, is fuelling the need for High-Voltage (HV) and Extra-High-Voltage (EHV) cables. Furthermore, as load transmission systems continue to expand, 220 KV transmission lines will soon be replaced by 400 KV, with the possibility of even higher 550 KV transmission lines.

We are seizing the opportunity to expand our market leadership in the cable industry by investing in a cutting-edge EHV production facility in Halol. Our capex investment this year will kick off the establishment of this facility, which we anticipate will commence production in FY26.

We have partnered with leading Swiss cable manufacturer, Brugg Cables, to procure the high-end technology required for EHV production. Brugg will transfer the latest design, testing, production, and installation knowledge to Polycab, enabling us to produce EHV cables up to 550 KV voltage systems. This investment will open up a potential domestic market of ₹40-50 billion, as well as significant overseas business opportunities for our Company.

Project LEAP

Transforming Polycab

Our initial phase can be referred to as Polycab 1.0, and the IPO milestone achieved in FY19 marked the beginning of Polycab 2.0. Currently, in our 3.0 stage, we have outlined a five-year plan (FY21-FY26) under Project LEAP that will elevate our overall performance

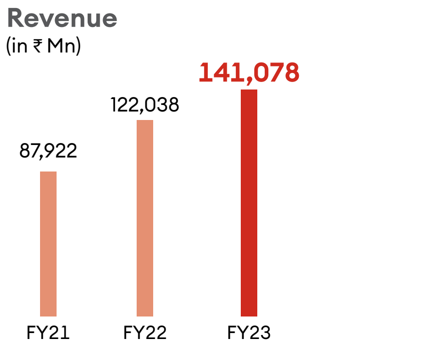
"At Polycab, we believe it is crucial to revisit our business mission every three years to keep pace with the rapidly changing times. With Polycab 3.0, we aim to enhance our digital quotient, prioritise our people, and foster a new work culture that aligns with our organisational goals

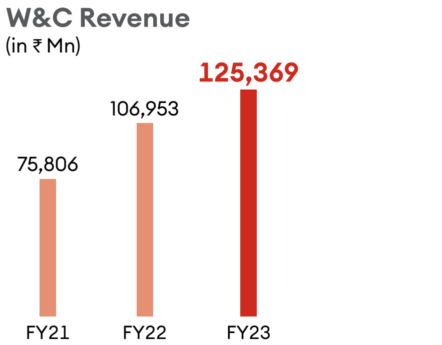
Mr. Bharat A. Jaisinghani
Executive Director

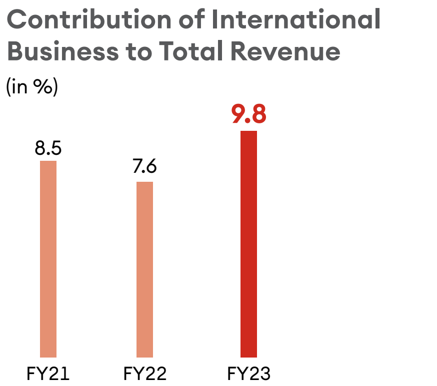
₹200 Bn Revenue by FY26

B2B		B2C	
Market growth in core segments	1.5x	Market growth in retail wires	1.5x
Contribution from adjacencies	>5%	EBITDA margin in FMEG	10-12%
Market growth in emerging segments	2x	Market growth in FMEG	2x
Contribution from exports	>10%	Contribution from online for specific categories	>10%

Tracking our Progress







Customer Centricity

Building connections

Redefining B2B

The merger of Heavy Duty Cables (HDC) and Light Duty Cables (LDC) last year unlocked significant value through incremental cross-selling revenue and enhanced efficiencies across our sales, supply chain, and operations.

This new route to customers not only gave our overall performance a boost but also energised our B2B business, enabling us to offer a complete portfolio of wires and cables. As a result, we are now a one-stop solution shop for our customers.

79%
On-ground salesforce engaged in cross-selling LDCs and HDCs

Converting Leads into Wins

Our demand-generation Programme has been successfully rolled out pan-India, and we have witnessed an improvement in our salesforce fundamentals, resulting in increased opportunities and a higher win rate per month.

We have implemented robust rewards and recognition programmes to incentivise and celebrate the success of our value initiatives. These programmes reflect our commitment to fostering a culture of excellence and enabling growth across our organisation.

34%
More opportunities created per month

17%
Increase in winning rate

Pioneered the Industry's First Influencer Management Programme

Our feet-on-street team of 35 people across 12 cities has significantly amplified business development by building influencer relationships and driving site conversion.

With plans to scale up the business development team to 150+ personnel across 60+ markets, we are confident in our ability to expand our reach and achieve business growth.

Adopting an Integrated Approach

Our integrated approach to strategic key accounts has been a major success, with sales executed across 120 key real estate accounts in 5 pilot markets.

Moving forward, we'll create additional verticals to increase customer centricity for special segments and products. Our commitment to delivering tailored solutions and exceptional service will continue to drive our success.

Go-to-Market Excellence

Scaling up distribution reach

Expanding Reach and Distribution

We have made significant strides in our Go-to-Market strategy by expanding our reach into untapped markets.

This expansion has been widespread, with penetration into new cities across all regions of India. Additionally, we've added 317 new retail wire distributors and 371 new FMEG distributors, further strengthening our distribution network.

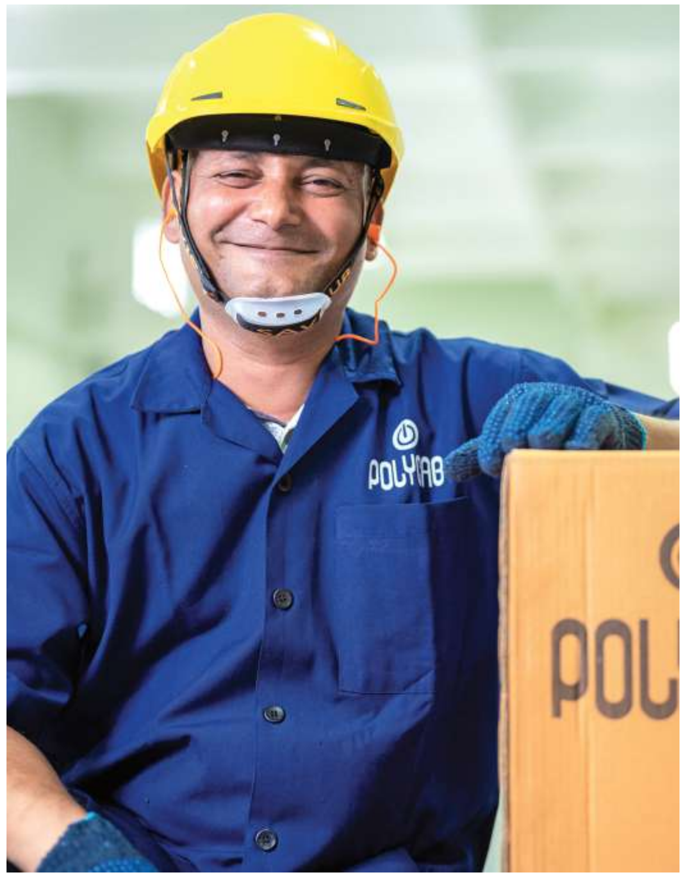
122
Districts identified with untapped potential

Distributor Activation

We have identified large distributors and districts with slow growth rates. To improve sales, we're activating these areas by intensifying our focus and efforts. Our team is committed to achieving better sales and strengthening our presence in these markets.

317
Distributors added in retail wires business during FY23

371
Distributors added in FMEG business during FY23



Winning with New Products

Realising our potential

Streamlining Product Development

Our 'winning with new products' strategy includes identifying gaps and opportunities and developing a portfolio roadmap of new offerings for key B2C businesses.

A New Product Development (NDP) Council has been established for product innovation across our businesses to ensure our Company is at the forefront of customer requirements as well as technological enhancement.

Revamp of our Fans' Portfolio

We have shifted towards a more design and finish-oriented product range, offering fans with up to 5-star ratings

Driving Growth and Differentiation

As part of our strategy to cater to a complete range of customer demands, we have been increasing our presence across various price points. A key focus has been on the premiumisation of our offerings, particularly in the FMEG category.

During the year, our new sub-brand Etira, as well as Green Wires, which were launched in the previous year, has been successfully received in the market by our customers.

7%
Contribution of green wires to retail wires in FY23

12%
Contribution of Etira wires to retail wires in FY23

Setting up of Organisation Enablers

Achieving future-readiness

"At Polycab, we are dedicated to creating joyful experiences for all our stakeholders. Over the next couple of years, our primary focus will be on driving digital transformation, where technology and business come together to drive organisational change

Mr. Ritesh Arora
President - Chief Digital Officer

Towards Stakeholder Centricity

Over the next several years, Net Promoter Score (NPS), which is a proxy for customer loyalty, gauging customers' inclination to attract and refer new businesses and repeat business, will be a key metric for measuring the success of our digital initiatives. NPS will serve as a surrogate for financial growth in many cases. To achieve this goal, we will measure the score periodically for all stakeholders such as influencers, and distributors, and set target benchmarks for improvement.

We will establish baseline measurements and set target benchmarks for improvement. To ensure prompt resolution of customer requests, we will implement an action log with an escalation matrix.

Finally, there will be dashboards to provide real-time feedback and analysis to business units and responders, helping drive continuous improvement across our Company.

Core Principles of Digital Vision

Re-defined Processes

Adaptability to **new-age business processes,** execution, and review mechanisms

Capability Building

Ability **to learn and adapt** to new technologies and processes

New Ways of Working

Design thinking, agile ways of working, open innovation, digital-first mindset

From	To
Large no. of siloed, rigid, non-scalable platforms	Few core, highly scalable, best-in-class and agile platforms
Multiple platforms per entity	1 entity, 1 platform with a simple and optimised UX
Playing catch-up	Industry leadership in digital-led business transformation

Digital Roadmap

Phase 1

Limited In-house Capabilities

- Lean Polycab Digital team
- Large-scale partners with deep skills
- Nimble and agile implementation of foundational projects

Phase 2

Building up of In-house Capabilities

- Support in-house for critical platforms
- Expanding Polycab team
- Algorithm development through an in-house team

Phase 3

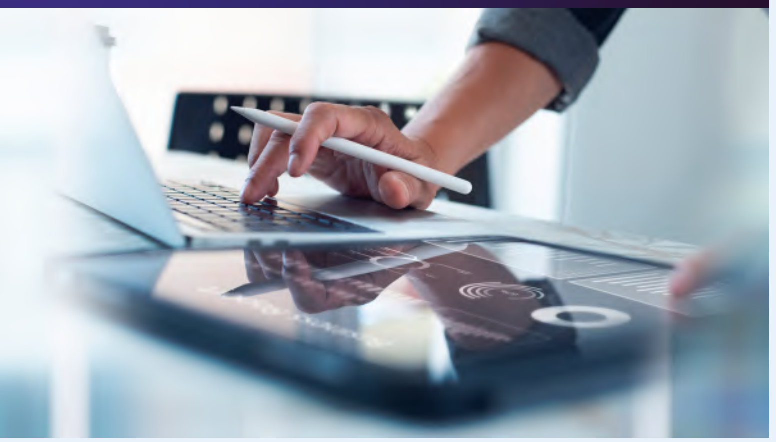
Comprehensive In-house Capabilities

- Large in-house team
- Digitally mature organisation for speed and constant experimentation
- Leadership in innovation and cost-effectiveness

Investors

Maximising value creation

We are proud to report that we have achieved the highest-ever revenue and PAT in the history of our Company, demonstrating a strong performance. We have forged deep connections and kept stakeholder-centricity and value creation at the core of everything we do



FY23 Highlights

21%
Return on Equity (ROE)

₹20 per share
Dividend per share

Material Issues Addressed

- Leadership in Wires and Cables
- Strengthening FMEG Market Position
- Business Diversification
- Strengthening Brand Recognition
- Product Stewardship
- Corporate Governance, Ethics, and Integrity

Key Risks

- R1 Operational Risks
- R2 Strategic Risks
- R3 Financial Risks
- R4 Compliance Risks

SDGs Impacted

Empowering Investors through Capital Utilisation

Financial Capital
Added to the pool of funds that we can utilise amounting to ₹10,997 million

Natural Capital
Utilised funds for various initiatives such as energy efficiency, waste management, and water management among others

Human Capital
Increased our employee benefit expenses 12% YoY to reach ₹4,568 million

Social and Relationship Capital
Utilisation of funds amounting to ₹229 million towards CSR activities

Manufacturing Capital
Capex incurred during FY23 the year ₹4,584 million

Intellectual Capital
Invested in R&D to develop and produce future-ready products, and improve our services

Management Approach

We employ various methods and strategies to effectively manage our financial resources such as cash, investments, and debt. The principle of our management approach is to optimise the allocation of financial capital to create sustainable value for investors and other stakeholders.

Principles of Financial Capital Management

Maximising returns	Maintaining financial stability	Balancing risk and return
Focusing on long-term value creation	Transparency and accountability	

Under Project LEAP, we have set a five-year roadmap to significantly improve our revenue streams. This roadmap is supported by our strategic initiatives focused on enhancing our organisational, digital, and functional excellence, in order to strengthen our market position. By adopting these measures, we will enhance our resilience and agility, while also maintaining a competitive edge in the market.

Creating Value in FY23

We achieved double-digit growth in both revenue and profitability. The strong performance was primarily driven by robust volume growth in our W&C business. As a result, we achieved an ROE of 21% in FY23, which is 322 bps points higher than the previous year.

During the year, our ability to manage the effect of fluctuating commodity prices has been instrumental in optimising efficiency and maintaining a strong financial performance. Our ability to adapt quickly to changing market conditions has enabled us to remain competitive and deliver exceptional results.

16%
Growth in revenue*

52%
Growth in PAT*

13%
EBITDA Margin

21%
RoE

*YoY

Manufacturing Excellence

"Our relentless focus on in-house manufacturing and backward integration empowers us to maintain uncompromising quality standards and ensure availability of our products, setting us apart in the industry

Mr. Rakesh Talati
Executive Director

FMEG

"We are focused on strengthening our FMEG market position through product innovation and driving premiumisation. We strive to create new products that align with evolving customer preferences

Mr. Rohit Kumar
President & Chief Business Officer (FMEG BU)

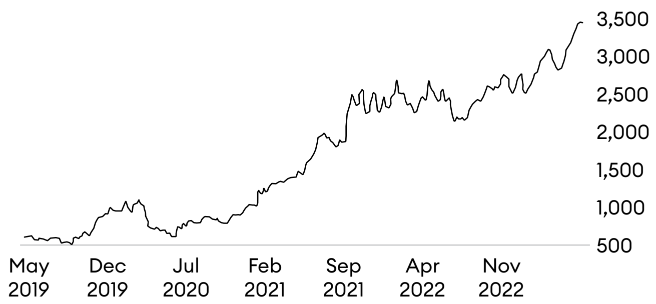
Investors

Market Capitalisation

Our market capitalisation has experienced robust growth, with a CAGR of 57% from ₹80 billion at listing to ₹513 billion, as of May 2023. We attribute this success to the unwavering support and trust of our shareholders who have heavily contributed to our growth journey. We are dedicated to conducting business in an ethical manner, embracing industry-best practices, and consistently evaluating our performance across both financial and non-financial parameters.

Share Price, 2019-2023

(₹)



The Volatility of Copper and Aluminium

Commodity prices experienced significant volatility throughout the year due to continuing geopolitical conflict in Europe, as well as wavering demand environment due to global inflationary pressures. However, we saw this adversity as an opportunity to drive growth in our business.

We optimised our distribution network and fully digitalised our sales process, allowing us to deliver products to customers generally within a day. Additionally, we maintained higher inventory levels, utilising pricing advantage to mitigate the impact of price fluctuations, enabling our dealers to carry lower inventory without having to take a view on the direction of price movement. Our dealers and distributors have responded positively to these efforts, and we remain committed to supporting their growth through close collaboration.

Capital Allocation Strategy

Our approach involves four use cases that we utilise to deliver value for our stakeholders:

Capex
Enhancing capacities to reduce bottlenecks and meet market demand

Delivering Value to Shareholders
Distributing dividends to our shareholders or utilising for share buyback, to improve our RoE profile

Inorganic Growth Opportunities
Focused on improving the technological capabilities of FMEG business and augmenting C&W capabilities

Strengthening our Balance Sheet
Operating under the principles of prudence, we recognise the importance of a strong balance sheet with a buffer for downturns in the business environment

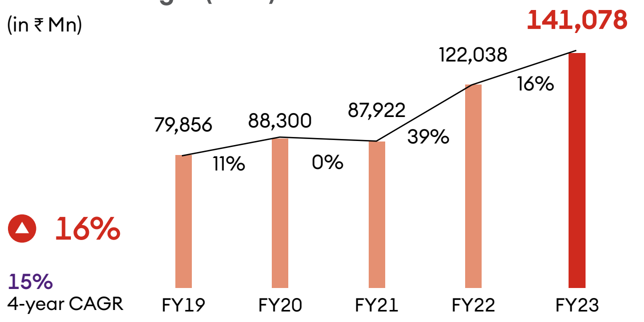
"We will invest ₹6-7 billion in capex in CY23, with roughly three-fourths dedicated to Wires and Cables and the rest to FMEG. This will boost production capacity to meet market demand, and expand our market share

Mr. Rishikesh Rajurkar
President-Projects

Pride in our Numbers

Revenue

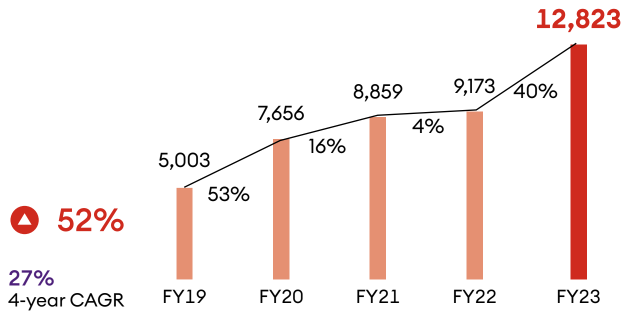
EBITDA margin (13%)
(in ₹ Mn)



In FY23, we achieved a 16% YoY increase in revenue, driven by the performance of the W&C business. Favourable business mix translated into an EBITDA margin of 13% for the year

PAT

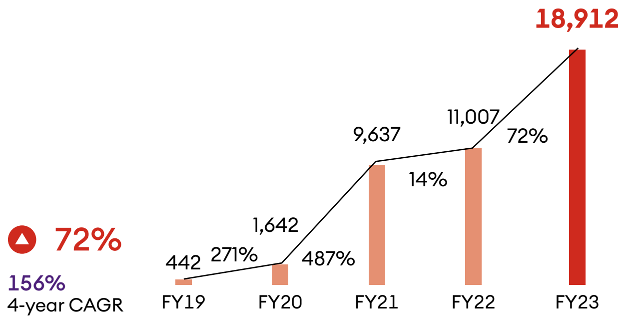
(in ₹ Mn)



Our PAT increased by 27% YoY to reach ₹12,823 million during the year. Our PAT margin rose by -220 bps to reach 9.1% in FY23

Net Cash

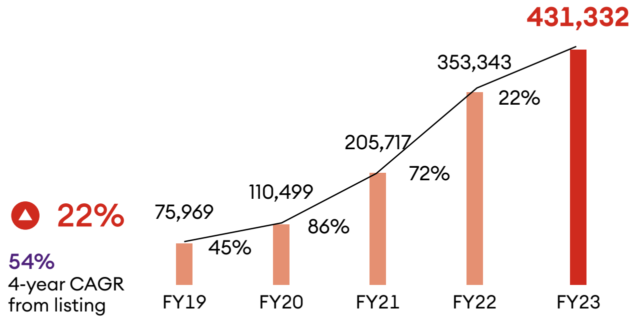
(in ₹ Mn)



We enhanced our net cash position on the balance sheet by improving cash flow through working capital optimisation

Market Capitalisation

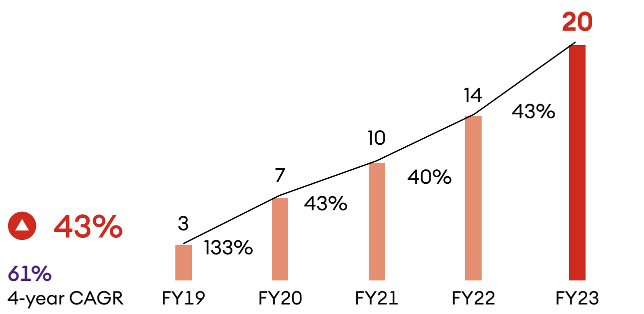
(in ₹ Mn)



The increase in market capitalisation is a testament to the trust and support of shareholders in our growth story. Along with a rising earnings per share, we have seen a 54% increase in market capitalisation over the past four years

Dividend Per Share

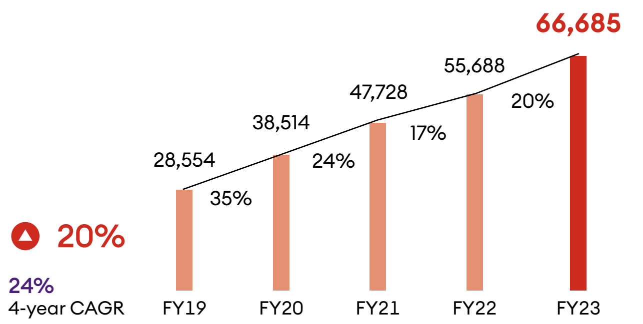
(in ₹ Mn)



We remained focused on maximising shareholder value during FY23 and declared a dividend of ₹20 per share, representing a payout ratio of 23.5%

Net Worth

(in ₹ Mn)



During FY23, our net worth increased to ₹66,685, up by 20% on an annual basis. This represents our strong performance during the year despite the complex global macroeconomic and geopolitical environment

FY23 YoY growth

Customers

Putting our customers first

Our commitment to innovation keeps us ahead of market trends and adapt to the ever-evolving needs of our customers. Our primary goal is to continuously improve our products year after year, surpassing the expectations of our valued customers

FY23 Highlights

4,300+
Authorised Dealers & Distributors

205,000+
Retail outlets

Material Issues Addressed

- Material Sourcing and Efficiency
- Customer Centricity
- Product Stewardship
- Data Privacy & Cyber Security

Key Risks

- R1 Operational Risks
- R2 Strategic Risks
- R3 Financial Risks
- R4 Compliance Risks

SDGs Impacted

Empowering Customers through Capital Utilisation

Financial Capital
Investing in R&D to enhance our customer value proposition

Natural Capital
Delivering products that are environmentally friendly

Human Capital
Aligning employees with customers needs to enhance our service offerings

Social and Relationship Capital
Prioritising activities that align with the needs and expectations of our customers

Manufacturing Capital
Optimising operations to ensure consistency of quality

Intellectual Capital
Increasing our know-how to sharpen operational excellence and bolster R&D capabilities

"During FY23, collaborations with Ogilvy and Interbrand strengthened our brand presence, while campaigns such as #ViewBadalDe redefined how we illuminate lives. Our partnership with ICC will enable us to deepen our engagement with existing and potential customers and build awareness and engagement with all stakeholders

Mr. Nilesh Malani
President and Chief Marketing Officer

Management Approach

At Polycab, we are committed to putting our customers at the centre of everything we do. Our dedicated teams work closely with our customers to understand their unique preferences and requirements and provide them with customised solutions that meet their specific needs. With a robust distribution network in India, we ensure that our products are delivered on time.

Our overall approach at Polycab is to build long-term relationships with our customers by providing them with high-quality products and exceptional service. We take pride in being the first choice for our customers by continuously exceeding their expectations and delivering superior value.

Data Protection and Privacy

We have a comprehensive data privacy policy, to address concerns regarding data storage and safeguard customer information. We have also established various channels for customers to report any issues or doubts regarding data privacy, which we actively monitor. During FY23, we did not receive any grievances related to breaches, leaks, thefts, or losses of consumer data, demonstrating our commitment to maintaining customer privacy.

Customer-wise Breakdown of Revenue

(%)

Top customer	5
Top 5 customers	14
Top 10 customers	22
Other customers	78

Customers

Earning the Edge

R&D

We take pride in leveraging advanced technology and innovation to deliver high-quality products to our customers. We have a NABL ISO 17025certified R&D centre that supports our manufacturing processes, enabling us to maintain our rigorous quality standards.

In addition, we have state-of-the-art facilities for key raw materials, and we continuously improve our R&D capabilities to capitalise on industry trends. We are also committed to preserving the environment, which is why we have developed a range of environment-friendly products, including power cables, rubber (elastomeric) cables, electron-beam irradiated cables, green wire, and BLDC fans.

167
Registered IPRs

₹343 Mn
R&D expenditure

Polycab Arena in Mumbai

Services

For us, Polycab stands out for providing exceptional quality service that goes beyond mere satisfaction. Their team of professionals is highly knowledgeable, friendly, and dedicated to delivering top-notch products and ensuring flawless installation. Their commitment to excellence and customer satisfaction is evident in everything they do, making them the go-to choice for our electrical needs.

-Recon Technologies Private Limited

Building Relationships

We have always been a driving force and a key contributor to the growth of the Indian electrical industry. Our long-standing partnership with IEEMA underscores our unwavering commitment to this mission.

As a testament to our commitment, we sponsored the Buildelec exhibition at BIEC in Bangalore, which was organised by IEEMA. Through such initiatives, we continue to play an active role in promoting innovation, collaboration, and growth in the industry.

Going Phygital

Our current endeavours are to seek new ways to delight customers and provide them with an immersive in-store experience. As a reflection of our belief in customer-centricity, we are undergoing a strategic shift in providing our customers with the best of both worlds: Our enterprise-grade electrical offerings and differentiated shopping experiences.

95+ Mn
Impressions during the T20 cricket world cup

#ViewBadalDe

The #ViewBadalDe campaign was a success–a testament to our ongoing partnership with Oglivy India

Campaigns

TVC Campaigns

Awareness is one of the biggest challenges in the recognition of environmental products. Thus, we used our TVC campaign to promote the extra safety features of Polycab's green wires during the T20 cricket World Cup in 2022.

ICC Partnership

ICC Women's T20 World Cup in South Africa

ICC World Test Championship Final in the United Kingdom

ICC Men's ODI Cricket World Cup 2023

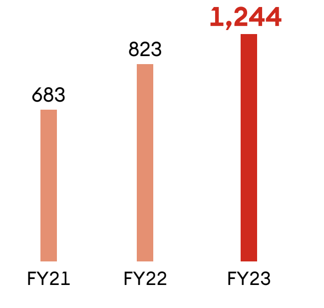
Amplifying Brand Recognition

We are focused on deepening our leadership in the W&C segment, as well as expanding our presence in the FMEG segment. These goals are reflected in our ongoing efforts to strengthen the 'Polycab' brand over the past few years.

In FY23, we proudly became an official partner of the International Cricket Council (ICC) for their global events. This partnership provides us with a unique opportunity to deepen our engagement with existing and potential customers, with a message that emphasises our commitment to innovation for a brighter living. Throughout the tournaments, we will highlight our innovative, safe, and energy-efficient products, building awareness and engagement with all stakeholders.

A&P Expenditure

(in ₹ Mn)



Employees

A thriving culture for our people

We recognise that the success of our organisation is intricately tied to the well-being of our employees. As a result, we are committed to fostering a culture of empowerment within Polycab

FY23 Highlights

67,000+
Training hours

100%
Employees given performance reviews

Material Issues Addressed

- Employee Training and Development
- Diversity and Inclusion
- Health and Safety
- Labour Management

Key Risks

- R1 Operational Risks
- R2 Strategic Risks
- R3 Financial Risks
- R4 Compliance Risks

SDGs impacted

Empowering Employees through Capital Utilisation

Financial Capital
Increased our employee benefit expenses 12% YoY to reach ₹4,568 million

Natural Capital
Enhancing natural capital as our commitment to care for the collective future of humanity

Human Capital
Increasing the Polycab family to 12,640 and focussing on creating a community

Social and Relationship Capital
Encouraging employees to volunteer as part of our CSR activities to help them contribute to causes they care about

Manufacturing Capital
Ensuring our health and safety practices are best-in-class

Intellectual Capital
Investing in their learning and development to help meet the demands of a VUCA business environment

"We are embracing technology and viewing it as an opportunity to enhance the employee experience and staying ahead of the competition. To truly realise its potential, we remain focused on building a culture of experimentation, collaboration, and continuous learning

Mr. Rajesh Nair
Executive President and Chief Human Resources Officer

Management Approach

We have robust systems and processes in place to enhance the well-being of our employees and ensure our workforce is future-ready. We annually implement various initiatives in the areas of health and safety, employee engagement, diversity and inclusion, and learning and development.

One of the significant long-term impacts of Covid-19 was on mental health. We recognised the importance of this issue and addressed it during the year. We developed a comprehensive strategy to tackle this problem, which included running a mental health awareness programme to educate and inform our employees about the various forms and impacts on mental health.

4,485
Permanent employees

8,155
Other than permanent employees

Diversity and Inclusion

We recognise that diversity and inclusion are crucial to our success. By embracing diversity and creating an inclusive workplace, we can attract top talent, drive innovation, and better serve our customers and communities.

ZERO
Incidents of discrimination at Polycab

Promoting Diversity and Inclusion in Daman

We have made a deliberate effort to ramp up inclusivity in our new greenfield project in Daman by employing a significant number of women on the shop floor. This initiative aims to promote women's empowerment and address the prevalent gender gap in the region.

~65%
Women employees at new greenfield project in Daman

Employees

Investing in Well-being

We provide our employees with a comprehensive range of benefits, including health insurance, retirement plans, paid time off, and flexible work arrangements. These benefits support work-life balance and employee well-being and demonstrate our commitment to meeting their needs and aspirations.

100%
Employees covered under health insurance, accident insurance, and maternity benefits

100%
Employees covered for retirement benefits

Learning and Development (L&D)

Our success and market leadership can be largely attributed to the skills and capabilities of our talented workforce. We are committed to providing effective skill development opportunities for our employees through various training and development programs, which are consistently supported by our leadership.

67,000+
Hours Spent in L&D

56%
Employees covered under skill upgradation initiatives

Employee Engagement

At Polycab, there is a strong focus on employee engagement and understand that motivated and engaged employees are essential to increasing productivity. To encourage engagement, we undertake various initiatives such as town hall meetings with senior management, training programmes for skill development, mentorship programs, employee recognition programmes, and team-building activities.

Our Rewards and Recognition (RNR) Framework

RNR Framework

- Rewards
- Recognition
- Annual Awards
- Long Service Awards

Criteria for Selection

- Performance against i-POWER values
- Achievement against KRAs

2,200
Employees recognised in FY23

83%
Retention rate in FY23

Health and Safety

The Company's Occupational Health and Safety Management System is based on the International Standards for Occupational Health and Safety (ISO 45001:2018) and has been implemented at our major manufacturing facilities in Halol and Daman.

Our commitment, as reflected in our Occupational Health and Safety Employee (OHSE) policy, aims for excellence and leadership in health and safety practices. We achieve this by continually improving and aligning with best practices. We also conduct year-round events and awareness drives to strengthen our safety culture.

Programs are conducted on work ethics, health and safety, quality system, HR policies and practices, environment, fire drills and safety, prevention of sexual harassment, importance of safety (PPE) tools and safety kits, readiness to accidents and preventive reporting of dangerous occurrences.

Safety Audits

During the year, all our manufacturing facilities were audited every month on the parameters of improving awareness of health, safety and environment. To improve compliance, we linked the performance of these audits with employee KRAs during FY23.

Awarded the prestigious IMEXI 2022 safe factory certification of excellence award

ISO45001:2018

FY23 Highlights

0.09
LTIFR for workers and employees
(per one million-person hours worked)

Number of new employees hired

Age	Male	Female	Total
< 30 years	246	24	270
30-50 years	403	27	430
> 50 years	19	-	19
	668	51	719

Employees turnover

Age	Male	Female	Total
< 30 years	181	22	203
30-50 years	512	47	559
> 50 years	73	1	74
	766	70	836

The Quieter Path to Productivity

During the year, our Halol manufacturing plant undertook a Hearing Conservation Programme to prevent hearing loss among our employees.

We conducted a comprehensive noise level survey, identified noisy machines above the 85 dB limit, and formed a team of experts to control noise levels. We are implementing measures such as noise barriers, acoustic enclosures, and sound-absorbing materials to reduce noise levels, and exploring the possibility of replacing old machines.

Our proactive initiative aims to safeguard hearing capacity, promote a safe and healthy work environment, and improve productivity.

Human Rights

Our code of conduct guides our actions, ensuring ethical behavior, respect for human rights, and fair treatment of all individuals. We actively promote human rights, both within our organisation and throughout our supply chain, and work towards eradicating any form of discrimination, harassment, or exploitation. By upholding these values, we foster a culture of trust, accountability, and social responsibility.

ZERO
Instances of complaints pertaining to child labour, forced labour and involuntary labour

Value Chain Partners

Growth through synergy

Our vast network of suppliers, dealers, distributors, and influencers is the backbone of our success. Thanks to this robust network, we are able to reach customers across the vast geography of India, accelerating our growth and market reach

FY23 Highlights

1.5x
Increase in MSME vendors YoY

70%+
Sustainable sourcing in FY23

Material Issues Addressed

- Responsible Supply Chain
- Distribution Network
- Influencer Training and Engagement

Key Risks

- R1 Operational Risks
- R2 Strategic Risks
- R3 Financial Risks
- R4 Compliance Risks

SDGs Impacted

5 Gender Equality | 8 Decent Work and Economic Growth | 12 Responsible Consumption and Production | 17 Partnerships for the Goals

Empowering Value Chain Partners through Capital Utilisation

Financial Capital
Using our financial stability to maintain optimum inventory levels for both ourselves and dealers

Natural Capital
Engaging with suppliers to align them with our sustainability framework

Human Capital
Empowering employees to build connections with key value chain partners

Social and Relationship Capital
Helping create an inclusive ecosystem for all value chain partners

Manufacturing Capital
Ensuring standardisation of quality to help value chain partners deliver consistent value to our customers

Intellectual Capital
Extending our digitalisation efforts to our supply chain to ensure efficiency and maintain raw material quality

Management Approach

Our management approach to managing our value chain partners is focused on aligning them with the values embedded in our Code of Conduct. As we look to the future, we are committed to further strengthening our sustainability framework by aligning our value chain partners with our values and embedding technology into our supply chain functions.

Our goal is to transform ourselves into a leaner, greener, and more efficient organisation. By working closely with our partners and leveraging the latest technology, we are confident that we can achieve our sustainability goals and drive growth for years to come.

We have implemented a Supplier Code of Conduct (SCoC) that incorporates the ESG criteria. This code underscores Polycab's dedication to upholding human rights, fair labour standards, environmental sustainability, and anti-corruption policies.

There are sufficient measures considered by the company to prevent child labour, forced labour, compulsory labour and prevent discrimination within the company and our direct value chain partners.

Supplier Engagement Philosophy

Supplier Code of Conduct (SCoC)	Supplier engagement survey
Aligning suppliers with sustainability framework	Regular supplier engagement to address grievances

Sustainable Sourcing

We are committed to supporting India's goal of achieving net zero emissions and aligning ourselves with the Nationally Determined Contributions (NDCs). We partner with our suppliers to ensure responsible sourcing and implementation of sustainable business practices throughout our value chain. Our SCoC has been developed in line with national and international standards and global best practices on safety, health, environment, labour, human rights, ethics, and fair business. In FY23, 70%+ of purchased inputs by value were sourced sustainably.

Digitalisation

Over the past couple of years, we have made significant strides in digitalising and automating our entire supply chain to enhance agility. Our key initiatives include:

- Implementing TOC across the supply chain
- Developing new demand planning algorithms for flexibility
- Implementing Warehouse Management Systems (WMS) for productivity and customer service
- Digitalising order-to-deliver and procure-to-pay processes for visibility
- Introducing warehouse automation for efficiency
- Upgrading advanced Automated Storage and Retrieval System (ASRS) for advanced storage and retrieval
- Gaining new insights in logistics through the Freight Management Module
- Digitalising reverse logistics for working capital improvement
- Enabling dashboard-based reports for data insights
- Comprehensive product tracking and automation throughout product lifecycle

Driving Influencer Connect in FY23

Our influencer connect programme aims to establish meaningful connections with influencers, fostering partnerships that enable mutual growth, brand awareness, and impactful collaborations in the ever-evolving digital landscape. We recognised the efforts of the influencer community at our Polycab Experts Rewards 2023. In FY23, we engaged with the 2,700+ retailers and electrician community through a unique Diwali campaign 'Moments of Celebration'.

Polycab Experts Programme is designed for influencers, focusing on fostering inclusive growth by providing participants with both personal and professional skills. In addition to valuable training, we offer monetary incentives to further support their development and success.

Programme features include:

- A 360-degree influencer management initiative promoting inclusive growth
- Loyalty-based monetary incentives, along with training and 'Experts' certification
- Certifications from government-recognised institutes
- Develop soft skills like people, social, communication skills, and time management

Communities

Guided by empathy

At the core of our business conduct lies a firm commitment to act purposefully and contribute to society. By promoting inclusive development and supporting our communities, we can enhance our ability to create value for the communities we work in and with, in a meaningful way

FY23 Highlights

100,000+
Lives impacted through CSR activities

4,000+
Trees planted

Material Issues Addressed

Corporate Social Responsibility

SDGs Impacted

Empowering Communities through Capital Utilisation

Financial Capital
Utilisation of funds amounting to ₹229 million towards CSR activities

Natural Capital
Aligning our CSR activities for the preservation of natural capital

Human Capital
Encouraging employees to volunteer as part of our CSR activities to help them contribute to causes they care about

Social and Relationship Capital
Engaging in CSR activities that align with needs and priorities of key stakeholders to build strong relationships

Manufacturing Capital
Making a positive impact on the communities near our operations by addressing the direct effects of our business activities

Intellectual Capital
Utilising our 'know-how' to ensure effective execution of CSR activities

Management Approach

Our Corporate Social Responsibility (CSR) programmes are designed in accordance with Schedule VII of Section 135 of the Companies Act, 2013.

The CSR and ESG committee oversees our community development initiatives, ensuring strict due diligence, evaluation, and impact tracking. Our CSR policy provides the framework for implementing programs that align with Polycab's vision, mission, and focus areas for community development. No political contributions were made during the current reporting period. Polycab's "Anti-Bribery Policy" prohibits any kind of political contribution, or any form of value. Our "CSR Policy" states that 'contribution of any amount directly or indirectly to any political party under Section 182, shall not be considered and not qualify as CSR expenditure', thus restricting any political contributions.

The policy is regularly reviewed to reflect changing community needs and comply with legislative amendments to the Act.

We have had a positive impact on 100,000+ people through our efforts, with a total CSR expenditure of ₹229 million during FY23. At the core of our sustainability efforts lies the goal of making a lasting impact on the local communities, particularly those associated with areas surrounded by our manufacturing locations primarily in the Halol and Daman, which serve as vital hubs for over 80% of our manufacturing operations.

CSR Expenditure

(₹ Mn)

CSR expenditure by focus area

(%)

Health care	44
Environment	26
Other CSR expenditure	13
Education & skill development	12
Rural development	5

Education

Education is a critical driver of India's social and economic progress. As responsible corporate citizen, we have taken up the cause of empowering children and youth by supporting an array of educational initiatives that cover primary, secondary, and tertiary education. To achieve this goal, we are constantly reinventing the way we promote academics, and that includes rebuilding infrastructure for institutes to redeveloping Anganwadis.

At Polycab, we believe that education is the key to a brighter future, and we remain committed to empowering India's youth to achieve their full potential.

LEAAD Programme

Our LEAAD programme, which is aimed at fostering leadership qualities among students, was undertaken in 12 schools and has impacted 1,194 children. This programme has proven successful, as evidenced by significant behavioural changes, increased self-confidence, and a new-found eagerness to embrace challenges and acquire new knowledge.

Science Labs

Several government schools face a shortage of laboratories or inadequate facilities, hindering practical demonstrations of classroom theories. To address this gap, we have established science laboratories in K.G.B.V Hirapur for 100 students, giving them access to hands-on experience to improve their academic performance and foster a growing interest in Science, Technology, Engineering, and Mathematics (STEM) subjects.

Communities

Inspiring Young Minds

During visit to villages, our team discovered the dilapidated condition of an Anganwadi centre, which served as a multi-purpose community hub for the education and healthcare needs of children, pregnant women, and lactating mothers. Despite its importance, the centre was in dire need of renovation, and teachers were struggling to reach the site due to its remote location.

Moved by this, PSWF collaborated with the Integrated Child Development Services (ICDS) Department, Government of Gujarat, to identify other Anganwadi centres in need of similar support. The Polycab team then assessed each centre and developed a plan to rebuild, repair, and construct new centres.

This initiative has had a profound impact, providing access to education and healthcare in underserved communities. By leveraging our resources and expertise, we reaffirmed our commitment to social responsibility and sustainable development.

Healthcare

We are dedicated to improving the healthcare ecosystem by focusing on community health initiatives and providing health outreach programs to vulnerable communities. The foundation's overarching goal is to ensure that high-quality primary, secondary, and tertiary healthcare services are accessible to everyone.

Ensuring Good Health

At the heart of our commitment to healthcare is our Mobile Medical Units (MMUs) that provide essential services, including outdoor consultations, medication supply, and health counselling, among others. Every day, we serve an average of 125 patients, bringing quality care directly to their doorsteps.

Our designated MMUs visit families in rural areas regularly, offering guidance on nutrition and healthy lifestyles, and identifying areas where individual action needs to be taken. Working under the supervision of medical professionals, the Health Mobilisers play a critical role in improving the health and well-being of the communities we serve.

Sadaiv Niramaya Scheme

Malnutrition is a serious problem in Gujarat's Panchmahal district, where rates are the highest in India. To address this, we launched the Sadaiv Niramaya scheme, sending Mobile Medical Units to 21 villages and appointing 21 Health Mobilisers. Through a comprehensive two-day training program led by medical professionals and yoga teachers, we're working to nullify malnutrition. Our goal is to provide sustained healthcare support and guidance to improve the health and wellbeing of these communities.

Beneficiaries	Outcome
Children under the age of 5	When we first began our intervention in August 2020, there were 13 children in the Red Zone and 68 in the Yellow Zone. Through our sustained efforts, we were able to gradually reduce the number of children in the Red Zone to zero and in the Yellow Zone to 8.
Children between the ages of 6 and 19	Thanks to our efforts, none of the children in our programme were reported to be malnourished according to the Malnutrition Standard.
Pregnant women	Our intervention led to an improvement in health and well-being of pregnant women.

iBreast Check-up Camp

We have partnered with Shree Halol Stree Samaj to conduct a Breast Tumour Detection Camp, and held health camps in various locations such as rural areas, hospitals, industries, institutes, public healthcare centres, and government offices, reaching a wide audience.

In FY23 alone, 4,500+ women have benefited from our health camps, and we've made a special effort to raise awareness about breast cancer through targeted interventions.

4,500+

Women received crucial information and support to help them detect and prevent breast cancer

Communities

Health Cards

During our regular health consultations at remote health facilities, we discovered that residents of nearby villages lacked the fundamental knowledge about topics like their blood group and health conditions. To address this, we launched an initiative to create health cards for all those living in the 21 villages surrounding our facilities.

Healthcare for the Specially-abled

Our outpatient department (OPD) findings reveal that individuals with disabilities face significant barriers to accessing healthcare. To address this issue, we've taken action by conducting special health camps for people with physical disabilities. These camps have been a great success, providing full health check-ups and distributing much-needed equipment such as walkers, wheelchairs, tricycles, sensor sticks, and hearing aids.

100,000+

Lives impacted

Skill Development

At Polycab, we prioritise the unique needs of the communities we serve, and one of the most pressing needs we have identified is skill development. We recognise that developing new skills not only provides individuals with greater economic opportunities but also increases their self-confidence and overall well-being.

Women's Skill Building

The financial independence of women plays a crucial role in driving societal prosperity and progress. To empower women, we are dedicated to implementing diverse skill development initiatives that foster their growth and empowerment with initiatives such as martial arts for girls, collaborating with an Self Help Group (SHG) for agarbatti making, and implementing a sewing course among other things.

Environmental Preservation

We view environmental preservation as a critical component of our business, as we recognise the importance of maintaining a healthy planet for the sustainability of human societies. We understand that this responsibility is shared by individuals, governments, and businesses alike, and we are committed to doing our part to protect the environment for future generations.

From Waste to Wealth

Problem

Farmers in several villages approached us with a grave concern: Their land quality was deteriorating rapidly. After a thorough discussion, we discovered that the overuse of chemical fertilisers and pesticides was the root cause. The heavy usage also resulted in several farmers contracting skin diseases.

Solution

One of our experts proposed vermicompost as a more effective alternative. Through a managed process, worms transform organic matter into a beneficial soil amendment that enhances plant growth and suppresses disease. Additionally, it improves soil porosity, water retention, and aeration through increased microbial activity.

Outcome

- Enhances plants' ability to uptake minerals and nutrients
- Reduces farming costs
- Increases crop fertility and growth/ quality of plants
- Helps maintain humidity in the farm, reducing water requirements
- More economical than other compost types
- Does not harm humans or the farm
- Can be made at home

14

Units in Halol

7

Units in Jambughoda

2

Units in Ghoghamba

Relying on Jivamrut

Nature has provided us with a powerful tool for organic farming: Jivamrut. Rich in essential nutrients like carbon, nitrogen, phosphorous, and potassium, it serves as a natural pesticide and fertiliser. Its impact is so significant that we've established a dedicated setup to produce Jivamrut alongside our vermicompost project.

23

Jivamrut units

Communities

The Vitality of Land

I've been farming for 25 years on my 10 bigha land. I used to spend ₹7,000 per *bigha* for farming but earned very little. Chemical fertilisers and pesticides only hurt my land and crops, raising expenses and reducing yields. Consuming these products also affected my health.

Thanks to the Polycab Social Welfare Foundation (PSWF), I discovered the benefits of vermicompost and how to create it at home. Additionally, I received training in making Jivamrut and organic medicines from forest plants. By using natural fertilisers and medicines, my expenses were reduced significantly, and my yields improved dramatically. This year, I grew maize and chillies with remarkable success, and my land looks healthier than ever. The savings I made are now going towards my children's education, and PSWF has changed my life for the better.

Nagin Bhai Rathva

Panchgavya

We are committed to finding innovative solutions for sustainable agriculture, and one of our latest projects is Panchgavya, which utilises cow's urine as a base and other natural ingredients to promote healthier crop yields. This project is currently in the pipeline and we are excited to implement it soon to support sustainable farming practices.

Flourishing Together

In several villages, people encounter a severe water scarcity in their bore wells during summer.

The Path of Hope

Rayankhand, a village near Shivrajpur in Gujarat, was facing a severe scarcity of drinking water, and water for agriculture and animals, despite having a rivulet and a few water storage structures. Villagers were unable to grow a second crop due to water shortages in winter and summer seasons, and had to buy expensive water tankers or travel long distances to get access to drinking water.

To address the scarcity of drinking water and water for agriculture and animals in Rayankhand village, we collaborated with N.M. Sadguru Water and Development Foundation to construct four new check dams while renovating four others in Rayankhand, Vavdi, and Pandol.

The outcome was remarkable as the dam overflowed during this year's monsoon season, resulting in an 80-feet increase in the water level of borewells and wells. The rivulets now retain water for more extended periods, and this has benefitted 14 villages through the check dam. Villagers can now grow a second crop, which has significantly improved their livelihoods and enhanced their quality of life.

Rural Development

Agriculture

We launched an initiative focused on mushroom and organic farming, and it has been beneficial to 92 individuals. The objective is to enhance yield per acre of land and foster a healthy soil balance, promoting sustainable agricultural practices and improved farming outcomes.

92

Farmers have started growing mushroom in their homes

Other CSR Activities

- Animal check-up camps
- Pashu Arogya Sathi
- Government awareness schemes and sports coaching
- Supporting Anganwadis
- Development of public library

Environment

Minimising our footprint

Preserving the environment is our collective responsibility. By promoting sustainable practices, adopting renewable energy, and fostering environmental consciousness, we can build a brighter future for generations to come, where nature thrives and our planet is protected.

FY23 Highlights

24,000+ tonnes
Emission avoided due to renewable energy consumption

1,916 MT
Responsible hazardous waste disposed

853,283 GJ
Total energy consumption

Material Issues Addressed

- Climate Change and Energy
- Waste Management
- Water Management
- Material Sourcing and Efficiency

Key Risks

- R1 Operational Risks
- R2 Strategic Risks

SDGs Impacted

Empowering Environment through Capital Utilisation

Financial Capital
Utilised funds for various areas such as energy efficiency, waste management, and water management among others

Natural Capital
Funds allocated towards water management

Human Capital
Engaging with employees to align them with our sustainability agenda

Social and Relationship Capital
Direction of CSR activities toward enhancing natural capital

Manufacturing Capital
Becoming more efficient to get 'more' from 'less'

Intellectual Capital
Becoming a digital-first organisation

Management Approach

We embrace the urgent need to address environmental challenges and integrate sustainability into our operations. With a holistic and proactive approach to environmental stewardship, we lead by example, striving for a greener and more sustainable future.

Our management team promotes responsible resource management, energy efficiency, waste reduction, and pollution prevention. We prioritise renewable and clean energy, implement eco-friendly practices, and invest in low-impact technologies. Through rigorous monitoring and reporting, we continually assess our environmental performance, seeking constant improvement.

Energy Efficiency

Energy efficiency is a top priority for us. Through the implementation of cutting-edge technologies and best practices, we optimise energy consumption and minimise our carbon footprint. Our commitment to energy efficiency drives sustainable operations and environmental stewardship.

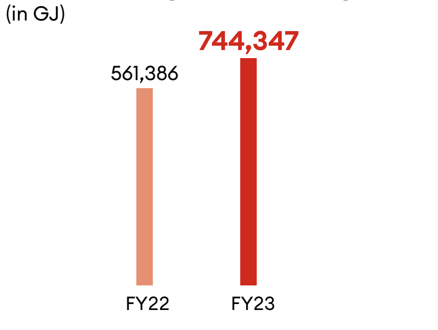
Progress in FY23

Key Measures

- Replaced 100% conventional lighting with LED lighting
- Implemented ISO 50001 Energy Management system
- Installation of Variable Frequency Drive (VFD) in compressors and pumps, resulting in 20% energy saving
- Implemented Industry 4.0 IIoT in three plants to capture real-time data

Electricity Consumption

(in GJ)



Increasing Share of Renewable Energy

We are committed to transitioning to renewable energy sources such as solar, wind, and hydropower. By installing solar panels, harnessing wind energy, and exploring hydropower opportunities, we aim to significantly increase our renewable energy capacity and reduce our carbon footprint. Our focus on clean, sustainable energy ensures a greener future for generations to come.

17%
Contribution of renewable electricity to total electricity consumption

Environment

Emissions

Progress in FY23

We employ advanced technologies and processes to minimise our carbon footprint, reduce greenhouse gas emissions, and improve air quality. Through continuous monitoring and strategic initiatives, we strive to mitigate environmental impacts and contribute to a cleaner, healthier planet.

GHG Emissions

6,528 $MTCO_2e$

Scope 1 Emissions

123,181 $MTCO_2e$

Scope 2 Emissions

9.32 $MTCO_2e$ / ₹ crore

Total Scope 1 and Scope 2 emissions per crore rupee of turnover

Air Emissions

	(ug/m3 avg of all locations)
NOx	252
SOx	228
Particulate Matter (PM)	824

Water Management

Water conservation and responsible management are paramount to us. We implement innovative technologies and practices to minimise water usage, promote efficient irrigation systems, and prioritise water recycling and reuse. Through these efforts, we aim to preserve this precious resource and contribute to a sustainable water future.

Progress in FY23

Our manufacturing units are equipped with effluent treatment plants (ETPs) and sewage treatment plants (STPs). The domestic wastewater generated from the toilet and canteen facilities is treated in STPs while the wastewater from operational activity is treated in ETPs.

Our manufacturing units follow applicable guidelines as given by regulatory bodies like Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs).

752,685 KL

Groundwater

9,918 KL

Third-Party water

762,603 KL

Total water consumption

Waste Management

Effective waste management is integral to our sustainability efforts. We implement comprehensive waste reduction, recycling, and disposal practices to minimise our environmental impact.

By embracing innovative solutions and promoting circular economy principles, we strive to maximise resource efficiency and contribute to a cleaner, greener future.

Progress in FY23

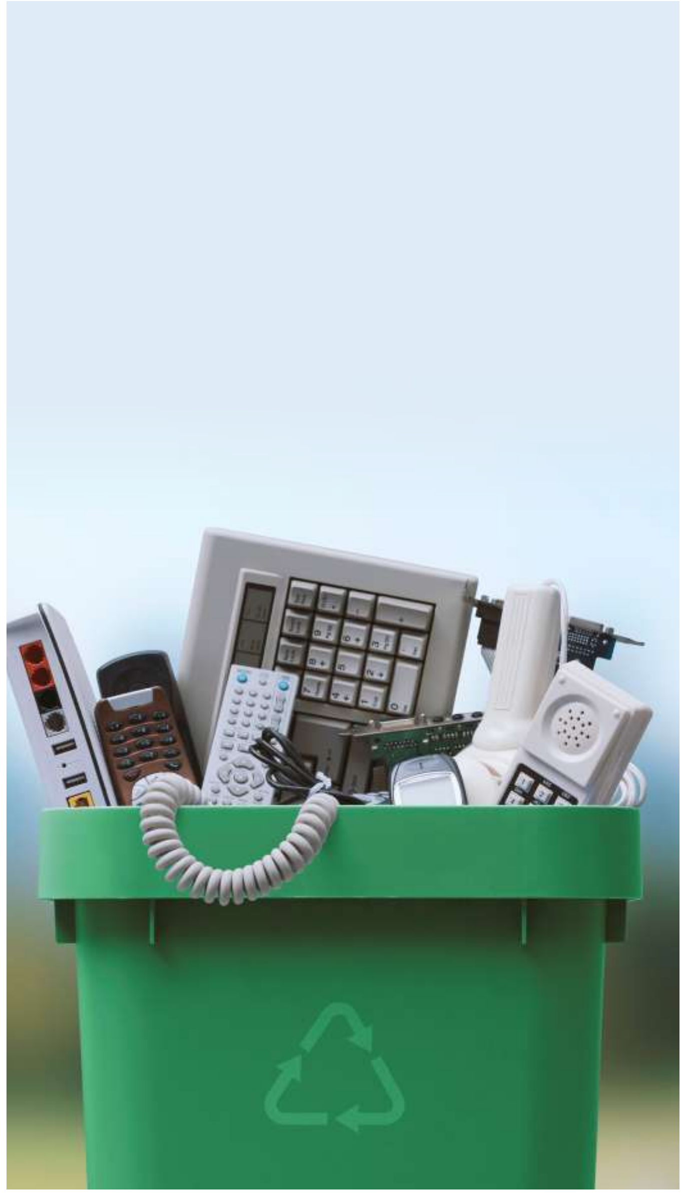
Our commitment to waste reduction spans the entire life cycle of our products. By implementing environmentally friendly disposal methods and partnering with authorised agencies, we strive to ensure that all waste generated is disposed of responsibly, minimising the impact on landfills. Furthermore, our green wires portfolio utilises non-hazardous, RoHS, and REACH compliant materials, ensuring a sustainable and safe solution.

Waste Disposed by Source (in MT)

Plastic waste	63
E-waste	1.3
Other hazardous waste	1,916
Other non-hazardous waste	7,132

9,112 MT

Total waste disposed



Governance at Polycab

Our philosophy behind 'Sustainable Growth'

Our culture, policies, and interactions with our stakeholders are reflective of the values we uphold in our corporate governance. Our corporate governance practices and performance depend heavily on integrity and transparency, which also helps us consistently win and keep the trust of our stakeholders

"We strive to ensure that our governance framework is effective, transparent, and accountable to all stakeholders. Being committed to the highest standard of corporate governance, we have strengthened our Board through the induction of three more directors. The new Board is more diverse, with 18% representation of women directors, in line with globally followed best-in-class corporate governance practices

Ms. Manita Carmen A. Gonsalves
Company Secretary and Head Legal

Board Focus Areas in FY23

- Review organisational progress and continuously evaluate our strategic priorities relating to changing dynamics and opportunities
- Focus on becoming future-ready
- Formulate ESG framework and targets

100%
Attendance by the Board of Directors

4
Board meetings

Five Pillars of Corporate Governance Framework at Polycab

1. PHILOSOPHY
Defines the principle and basis for achieving best in class Corporate Governance Practices

2. DIRECTIVES
Comprises of well-defined policies, codes and practices which helps in effective and efficient conduct of business

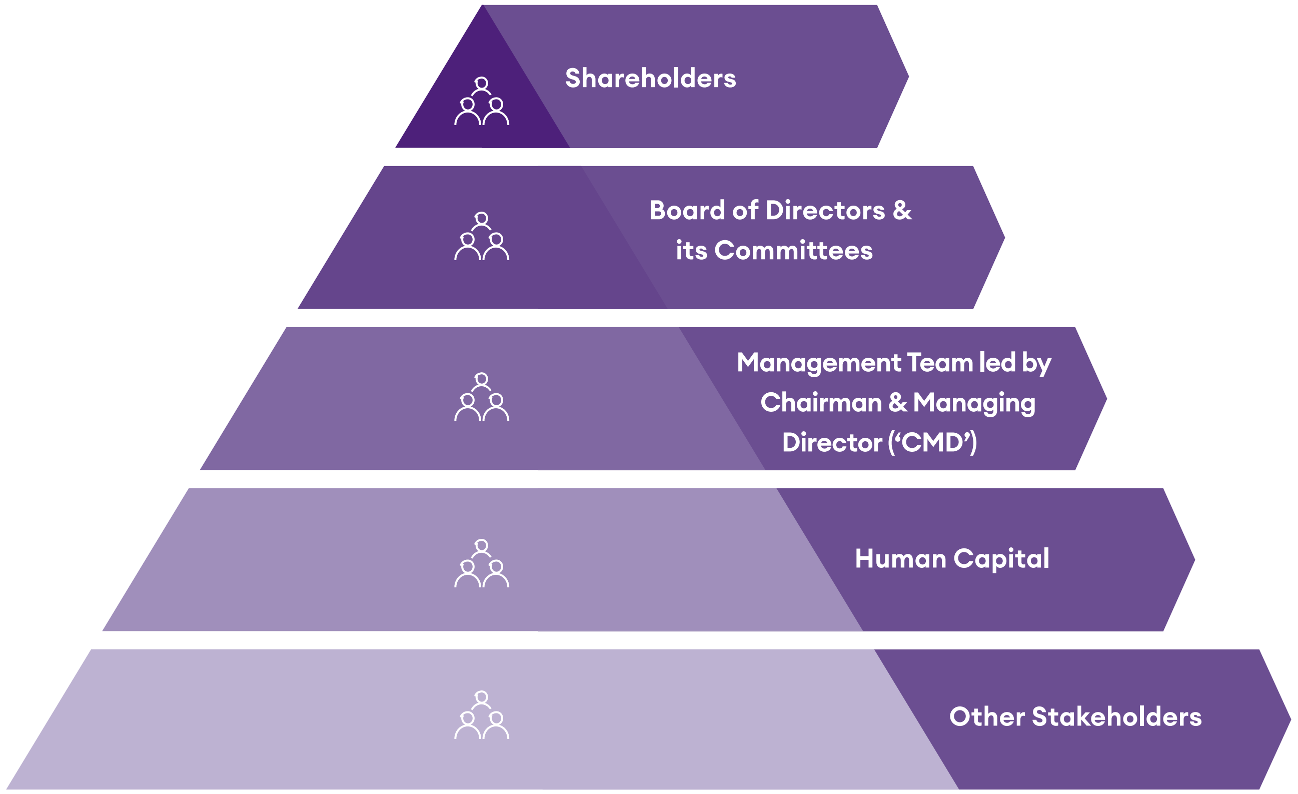
3. STRUCTURE
Establishes a Multi-tier Governance Structure for effective implementation of policies, codes and practices

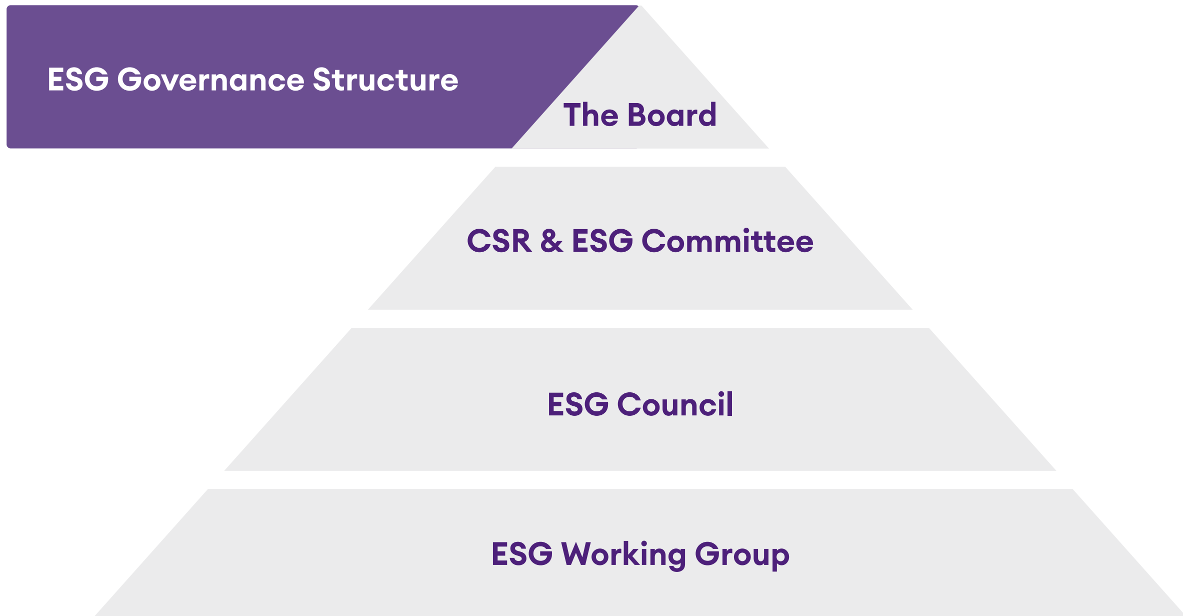
4. SYSTEMS
Comprises of Standard Operating Processes and practices aiding structured control, monitoring and reporting of compliances

5. EVALUATION
Includes oversight mechanism for internal and external stakeholders to provide feedback, recommendations, grievance, and receive effective redressal

Governance Structure

Our experienced suite of Board of Directors, executive management team and robust internal policies and procedures help us conduct our business in an ethical and sustainable manner and create value for all stakeholders. The governance framework ensures the accountability and transparency of our operations.





Risk Management

Balancing risks and opportunities

A dynamic operating environment brings with it inevitable internal and external risks. Our rigorous approach prepares us to adapt to contingencies and stay ahead of the curve

Risk Management Process

Key Business Goals

Based on the goals identified –by the top management and Board–and the level of acceptable risk, we place frameworks, processes and controls to facilitate their achievement

Risk Identification

Determining uncertainties, which could potentially impact the achievement of business objectives

Risk Assessment

Evaluating risks identified and possible impact

Monitoring & Reporting

Monitor and report risks and their treatment strategies

Risk Treatment

Mitigate, transfer, tolerate, or terminate identified risks

Risk Management Committee

Mr. T. P. Ostwal
Chairperson

Mr. Inder T. Jaisinghani
Member

Mr. Bharat A. Jaisinghani
Member

Mr. Nikhil R. Jaisinghani
Member

Mr. Gandharv Tongia
Member

Mr. R. S. Sharma
Member

Mr. Bhaskar Sharma
Member

Brief Overview of Risks

R1 Operational Risks

Distribution Network

Risk Description

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

Mitigation Measure

- 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 sales order, view their outstanding status, relevant price list applicable to them, catalogue, balance confirmation, etc.

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Threats to Information Security

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Technological Lag and Inadequate Adaptation

Risk Description

Inability to evolve and address digital, channel/ business model innovation, automation, and evolving GTM needs, and keeping pace with market-driven changes ('technology laggards')

Mitigation Measure

- Digital roadmap laid out with both B2B and B2C business with clear milestones. Set up Digital Council to check progress on roadmap
- Upgrading ERP system
- Revamping of power BI dashboard
- Dashboards and scorecards for salesperson automated on CRM
- Launch of structured influencer management programme – first in industry

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Risk Management

R1 Operational Risks (continued)

Customer Service and After-sales Management

Risk Description

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 Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Supply Chain Interruptions

Risk Description

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

Mitigation Measure

- Setting up a reliable network of alternative suppliers through effective diversification of the supply chain and reducing over-dependence, enabling us to continue the 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 the movement of goods from source to finished goods/scrap

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Quality Assurance Threats

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

R1 Operational Risks (continued)

Environment, Climate, as well as Employee Health and Safety

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

R2 Strategic Risks

Geopolitical and Social Instability

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Changing Customer Preferences

Risk Description

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

Mitigation Measure

- Market assessments and surveys to understand consumer pulse, corroboration with influencers
- NABL ISO 17025 certified R&D centre with over 90 engineers and technicians employed
- Centre of Excellence for R&D on polymers and other raw materials to stay ahead of the curve

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Risk Management

R2 Strategic Risks (continued)

Succession Planning

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Threat from Competition

Risk Description

Risk arises from fierce competition posed by both established players and new entrants, who employ aggressive pricing strategies, as well as the particular growth observed in the unorganised sectors

Mitigation Measure

- Strong branding: Partnering with ICC to become the official partner for ICC tournaments.
- Strengthening retail wire: Distribution and portfolio expansion, along with influencer programme.
- Introduction of margin accretive products.
- Capturing rapidly growing market segments (such as EPVC) with superior products
- Switchgear growth strategy
- B2C Secondary & Tertiary scanning improvement

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

R3 Financial Risks

Foreign Exchange Rate and Commodity Price Fluctuations

Risk Description

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

Mitigation Measure

- Risk Management Committee reviews compliance with Board- approved currency and commodity hedging strategy.
- Documented commodity and foreign exchange risk management policy
- Robust hedging framework which encompasses contracts with embedded derivatives as well as forward contracts
- Automatic pricing module integrated with ERP
- Metal advance pricing module for the procurement team

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

R4 Compliance Risks

Statutory Compliance Failures

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Protection of Intellectual Property Rights (IPRs)

Risk Description

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

Mitigation Measure

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

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Contractual Liability

Risk Description

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

Mitigation Measure

- All contractual obligations closely monitored and fulfilled with due diligence

Risk Movement

Impact

Capitals Impacted

Stakeholders Impacted

Financial capital | Manufacturing capital | Social and relationship capital | Intellectual capital | Natural capital | Investors | Customers | People | Value chain partners | Environment | No Movement

Board of Directors

Left to Right

Mr. R. S. Sharma

Independent Director

Mr. R. S. Sharma is the former Chairman and Managing Director of ONGC and has been, and is currently on board of numerous companies. He is qualified as Cost Accountant from ICWA and is holder of Associate Certificate from The Indian Institute of Bankers.

A N R

Mr. Nikhil R. Jaisinghani

Executive Director

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.

S R

Mrs. Manju Agarwal

Independent Director

Mrs. Manju Agarwal has been a career banker with 34 years of experience in India's largest Bank, State Bank of India in leadership positions where she was responsible for Policy, Strategy, Business and Operations. Her core expertise and key achievements include Retail Banking, Financial Inclusion and Digital initiatives. She is a Post Graduate from the University of Allahabad, 1978 and an Associate of the Indian Institute of Bankers, 1989.

N S C&E

Mr. T. P. Ostwal

Independent Director

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. He also serves as Independent Director on the Board of Oberoi realty, Oberoi constructions, Intas Pharmaceuticals, Mankind Pharma and others.

A N R

Mr. Gandharv Tongia

Executive Director and Chief Finance Officer

Mr. Gandharv Tongia, the Executive Director and Chief Financial Officer of Polycab India Limited, is associated with the Company since 2018. In his current role, he is responsible for all aspects of the Company's strategy, financial and information technology functions. He has been instrumental in spearheading the Company in its ongoing transformational journey including 'Project Leap'. He is a fellow member of the Institute of Chartered Accountants of India (ICAI).

S R C&E

Mrs. Sutapa Banerjee

Independent Director

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 medallist in Economics from XLRI school of Management, an Advanced Leadership Fellow (2015) at Harvard University and was visiting faculty with IIM-Ahmedabad. She also serves as Independent Director on the Board of Zomato, Godrej Properties, JSW Cement and others.

A N C&E

Mr. Bharat A. Jaisinghani

Executive Director

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.

S R

Mr. Inder T. Jaisinghani

Chairman and Managing Director

Mr. Inder T. Jaisinghani has been working with the Company since inception. Under his leadership and guidance the Company has completed over 26 glorious years of success.

A N R C&E

Committees of the Board as on 12 May 2023

- A — Audit Committee
- N — Nomination and Remuneration Committee
- S — Stakeholders' Relationship Committee
- R — Risk Management Committee
- C&E — Corporate Social Responsibility and Environment Social and Governance Committee

Chairman Member

Mr. Rakesh Talati

Executive Director

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.

C&E

Mr. Pradeep Poddar

Independent Director

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 Complan, Heinz and Himalayan. Awarded the Udyog Ratna by Karnataka Government. Provides strategic direction on the Boards of Welspun, Uflex and as Chairman of the Board of Tasty Bite, Sresta and United Way Mumbai.

A N S

Mr. Bhaskar Sharma

Independent Director

Mr. Bhaskar Sharma is a business leader and marketing expert with a passion for accelerating business growth in companies. He is a Director and Chief Executive Officer of Red Bull India. His previous roles with Unilever have given him a rich spectrum of interfaces, He holds a Master's degree in Management Studies and has done Masters of Science from Mumbai University.

S R C&E

Leadership Team

Excellence through expertise

Key Managerial Personnel

Ms. Manita Carmen A. Gonsalves
Company Secretary and Head Legal

Mr. Ishwinder Singh Khurana
Executive President & Chief Business Officer (Power BU)

Mr. Nilesh Malani
President and Chief Marketing Officer

Mr. Rajesh Nair
Executive President and Chief Human Resources Officer

Senior Management Personnel

Mr. Anil Hariani
Director – Commodities (Non-Board Member)

Mr. Anil Shipley
Executive President – Strategic Projects, Electricals and Electronics

Mr. Anurag Agarwal
Executive President (Strategic Initiatives & New Businesses)

Mr. Rishikesh Rajurkar
President – (Projects)

Mr. Ritesh Arora
President – Chief Digital Officer

Mr. Rohit Kumar
President & Chief Business Officer (FMEG BU)

Mr. Ashish D. Jain
Executive President & Chief Operating Officer (Telecom Vertical)

Mr. Bhushan Sawhney
Executive President and Chief Business Officer – (LDC & HDC)

Mr. Diwaker Bharadwaj
President – (Packaging Development)

Mr. Sandeep Bhargava
Executive President and Chief Procurement Officer

Mr. Sanjeev Chhabra
Executive President and Chief Treasury Officer

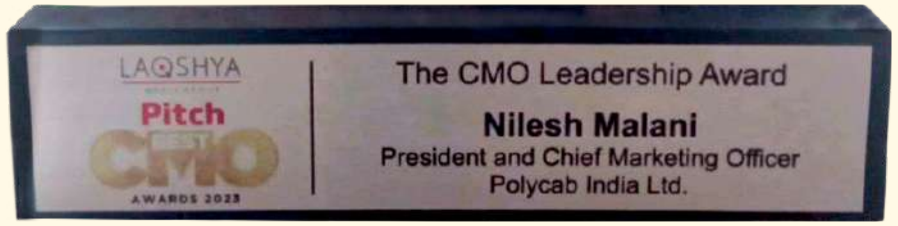
7.6 years
Average tenure of Leadership team

Awards and Accolades

Being recognised for excellence

Awards Received in FY23

- INEX Realty Award for Brand of the Year, Television Campaign of the Year, Popular Brand of the Year
- Vibrant Bharat – CFO Summit and Awards – Best CFO
- The CMO Leadership Award



- IMexI 2022 – Certificate of Excellence for Smart Manufacturing
- IMexI 2022 – Medallion for IMexI Commitment Prize
- IMexI 2022 – Certificate of Excellence for Safe Factory Prize

- ASRA-2022 for Asia's Best Community Impact Reporting
- CII's CFO Excellence Award for Leading CFO of the Year 2022
- IDC Future Enterprise Awards for Best in Future of Customer Experience

- Digital Terminal Awards 2022 for Best Structured Cabling Brand 2022
- The Economic Times Best Brands 2022
- VARINDIA – Make in India–Comprehensive Passive Networking Brand
- Elecrama – Winner - Best Stall in the Bare Space Category

Annexures

GRI content index

Polycab's Integrated Annual Report 2022-23, which includes the financial disclosures and the Business Responsibility and Sustainability Report, is available on our website.

Our Integrated Annual Report is aligned with the Global Reporting Initiative (GRI) Standard 2021 and UN SDGs. The following table provides the mapping of our disclosures for FY23 against the GRI standard 2021:

GRI 1: Foundation

Statement of use	Polycab India Limited has reported the information cited in this GRI content index for the period 01 April 2022 to 31 March 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures#

Topic	GRI Disclosure	Description	Section	Page No./ Reference	SDGs	BRSR linkage
The organization and its reporting practices						
	2-1	Organizational details	Who We Are, Where We Operate, BRSR	6-7, 10-11, 116-122		Section A
	2-2	Entities included in the organization's sustainability reporting	Where We Operate, BRSR	10-11, 116-122		Section A
	2-3	Reporting period, frequency and contact point	About The Report	2-3		Section A
	2-5	External assurance	Annexures	92		
Activities and workers						
	2-6	Activities, value chain and other business relationships	Who We Are, BRSR	6-7, 116-122		Section A
	2-7	Employees	Employees, BRSR	56-59, 117-118		Section A
	2-8	Workers who are not employees	Employees	56-59, 117		Section A
Governance						
	2-9	Governance structure and composition	Governance At Polycab, CGR	74-75, 172, 185-192		Section A
	2-10	Nomination and selection of the highest governance body	CGR	179-185		
	2-11	Chair of the highest governance body	CGR	82-83, 175, 205		
	2-12	Role of the highest governance body in overseeing the management of impacts	CGR	204-205		
	2-13	Delegation of responsibility for managing impacts	CGR	204-205		
	2-14	Role of the highest governance body in sustainability reporting	About the Report	2-3		
	2-15	Conflicts of interest	CGR	205		Principle 1
	2-16	Communication of critical concerns	CGR	204-205		
	2-17	Collective knowledge of the highest governance body	Board of Directors, CGR	82-83, 175		
	2-18	Evaluation of the performance of the highest governance body	CGR	182-185		
	2-19	Remuneration policies	CGR	183-185		
	2-20	Process to determine remuneration	CGR	183-185		
	2-21	Annual total compensation ratio	Board's Report	165		

CGR stands for Corporate Governance Report , BRSR stands for Business Responsibility and Sustainability Report

Topic	GRI Disclosure	Description	Section	Page No./ Reference	SDGs	BRSR linkage
Strategy, policies and practices						
	2-22	Statement on sustainable development strategy	Accelerating Our Sustainability Agenda, Message from the Chairman and Managing Director, Q&A with CFO	16-17, 24-29		Section B
	2-23	Policy commitments	CGR	204-205		Section B
	2-24	Embedding policy commitments	CGR	204-205		Section B
	2-25	Processes to remediate negative impact	BRSR	131		Section A
	2-26	Mechanisms for seeking advice and raising concerns	CGR	185-192		Section A
	2-27	Compliance with laws and regulations	Board's Report	159		Principle 6
	2-28	Membership associations	BRSR	140		Principle 7
Stakeholder engagement						
	2-29	Approach to stakeholder engagement	Our Stakeholders, BRSR	128		Principle 4
	2-30	Collective bargaining agreements	BRSR	128		Principle 3
Materiality Assessment						
	3-1	Process to determine material topics	Deep Dive into our Material Issues	20-21		Principle 4
	3-2	List of material topics	Deep Dive into our Material Issues	20-21		Principle 3
Economic performance						
	3-3	Management of material topics	Investors	48-51		
201: Economic Performance	201-1	Direct economic value generated and distributed	Value Created for Stakeholders, Investors	5, 48-51	SDG 8, 9, 13	
	201-3	Defined benefit plan obligations and other retirement plans	BRSR	127	SDG 3, 5, 8	Principle 3
203: Indirect Economic Impacts 2016	GRI 3	Management Disclosure	Communities	62-69		
	203-1	Infrastructure investments and services supported	Communities	62-69	SDG 5, 9, 11	
204: Procurement Practices 2016	GRI 3	Management Disclosure	Value Chain Partners	60-61		
	204-1	Proportion of spending on local suppliers	Value Chain Partners, BRSR	60-61, 141	SDG 8	Principle 8
Environment performance						
302: Energy 2016	3-3	Management of material topics	Environment	71		
	302-1	Energy consumption within the organization	Environment, BRSR	71, 136	SDG 7, 8, 12, 13	Principle 6
	302-3	Energy intensity	BRSR	136	SDG 7, 8, 12, 13	Principle 6
	302-4	Reduction of energy consumption	Environment, BRSR	71, 137	SDG 7, 8, 12, 13	Principle 6
303: Water and Effluents 2018	3-3	Management of material topics	Environment	72		
	303-1	Interactions with water as a shared resource	Communities, BRSR	70-73, 136	SDG 6,12	Principle 6
	303-3	Water withdrawal	BRSR	136	SDG 6	Principle 6
	303-4	Water discharge	Environment, BRSR	72, 136	SDG 6	Principle 6
	303-5	Water consumption	Environment, BRSR	72, 136	SDG 6	Principle 6

Annexures

Topic	GRI Disclosure	Description	Section	Page No./ Reference	SDGs	BRSR linkage
305: Emissions 2016	3-3	Management of material topics	Environment	72		Principle 6
	305-1	Direct (Scope 1) GHG emissions	Environment, BRSR	72, 137	SDG 3, 12, 13, 14, 15	Principle 6
	305-2	Energy indirect (Scope 2) GHG emissions	Environment, BRSR	72, 137	SDG 3, 12, 13, 14, 15	Principle 6
	305-4	GHG emissions intensity	BRSR	137	SDG 13, 14, 15	Principle 6
	305-5	Reduction of GHG emissions	BRSR	137	SDG 13, 14, 15	Principle 6
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environment, BRSR	72, 137	SDG 3, 12, 14, 15	Principle 6
306:Waste 2020	3-3	Management of material topics	Environment	73		
	306-1	Waste generation and significant waste-related impacts	Environment, BRSR	73, 138	SDG 3, 12	Principle 6
	306-2	Management of significant waste-related impacts	Environment, BRSR	73, 138	SDG 3, 12	Principle 6
	306-3	Waste generated	Environment, BRSR	73, 138		Principle 6
	306-4	Waste diverted from disposal	BRSR	138	SDG 4, 12	
	306-5	Waste directed to disposal	BRSR	138	SDG 3, 6, 12	Principle 6
308: Supplier Environmental Assessment 2016	3-3	Management of material topics	Value Chain Partners	60-61		
	308-1	New suppliers that were screened using environmental criteria	Value Chain Partners	60-61		Principle 6
Social performance						
401: Employment 2016	3-3	Management of material topics	Employees	58-61		
	401-1	New employee hires and employee turnover	Employees	59	SDG 4, 5, 10	Section A
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	BRSR	127	SDG 3, 5, 8	Principle 3
	401-3	Parental leave	BRSR	127	SDG 5, 8	Principle 3
403: Occupational Health and Safety 2018	3-3	Management of material topics	Employees	59		
	403-1	Occupational health and safety management system	Employees	59	SDG 8	Principle 3
	403-2	Hazard identification, risk assessment, and incident investigation	BRSR	131-132	SDG 8	Principle 3
	403-3	Occupational health services	BRSR	131-132	SDG 8	Principle 3
	403-4	Worker participation, consultation, and communication on occupational health and safety	BRSR	131-132	SDG 8	Principle 3
	403-5	Worker training on occupational health and safety	BRSR	131-132	SDG 8	Principle 3
	403-6	Promotion of worker health	BRSR	131-132	SDG 3	Principle 3
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Value Chain Partners, BRSR	61, 130-131	SDG 8	Principle 3
	403-8	Workers covered by an occupational health and safety management system	BRSR	130-131	SDG 8	Principle 3
	403-9	Work-related injuries	BRSR	130	SDG 3	Principle 3
	403-10	Work-related ill health	BRSR	130	SDG 3	Principle 3

Topic	GRI Disclosure	Description	Section	Page No./ Reference	SDGs	BRSR linkage
404: Training and Education 2016	3-3	Management of material topics	Employees	56-59		
	404-1	Average hours of training per year per employee	Employees, BRSR	58, 129	SDG 3	Principle 1
	404-2	Programs for upgrading employee skills and transition assistance programs	Employees, BRSR	58, 129	SDG 8	Principle 3
	404-3	Percentage of employees receiving regular performance and career development reviews	BRSR	129	SDG 5, 8, 10	Principle 3
405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	Employees	57		Section A
	405-1	Diversity of governance bodies and employees	Employees, Board of Directors	57, 84-85	SDG 5, 8	Section A
	405-2	Ratio of basic salary and remuneration of women to men	BRSR	134	SDG 5, 8, 10	Principle 5
406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Employees, BRSR	57, 135	SDG 5, 8	Principle 5
408: Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Value Chain Partners, BRSR	60-61, 137	SDG 8, 16	Principle 5
409: Forced or Compulsory Labor 2016	3-3	Management of material topics	Value Chain Partners	61		Principle 5
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employees, Value Chain Partners	59, 61	SDG 8	Principle 5
411: Rights of Indigenous Peoples 2016	3-3	Management of material topics				
	411-1	Incidents of violations involving rights of indigenous peoples			SDG 2	
413: Local Communities 2016	3-3	Management of material topics	Communities	62-69		
	413-1	Operations with local community engagement, impact assessments, and development programs	Communities	62-69	SDG 1, 2, 3, 4, 5, 6, 8, 10, 11, 17	Principle 8
414: Supplier Social Assessment 2016	3-3	Management of material topics	Value Chain Partners	60-61		
	414-1	New suppliers that were screened using social criteria	Value Chain Partners	60-61	SDG 5, 8, 12, 17	Principle 5
415: Public Policy 2016	3-3	Management of material topics	BRSR	140		
	415-1	Political contributions	Communities	63	SDG 16	Principle 7
416: Customer Health and Safety 2016	3-3	Management of material topics	Customers	52-55		
	416-1	Assessment of the health and safety impacts of product and service categories	BRSR	126-127	SDG 8	Principle 9
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	BRSR	126-127	SDG 16	Principle 9
417: Marketing and Labeling 2016	3-3	Management of material topics	BRSR	142-143		Principle 9
	417-1	Requirements for product and service information and labeling	BRSR	142-143	SDG 12	Principle 9
	417-2	Incidents of non-compliance concerning product and service information and labeling	BRSR	142-143	SDG 16	Principle 9
	417-3	Incidents of non-compliance concerning marketing communications	BRSR	142-143	SDG 16	Principle 9
418: Customer Privacy 2016	3-3	Management of material topics	Customers	53		Principle 9
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customers	53	SDG 16	Principle 9

Independent Assurance Statement

KPMG Assurance and Consulting Services LLP
Embassy Golf Links Business Park
Pebble Beach, B Block, 1st & 2nd Floor,
No. 13/2, Off Intermediate Ring Road
Bengaluru 560 071 India

Telephone: +91 80 6833 5000
Fax: +91 80 6833 6999
Web: www.kpmg.com/in
Email: indiawebsite@kpmg.com

Independent Assurance Statement to Polycab India Limited on Select Non-Financial Sustainability Disclosures in the Integrated Report for the Financial Year 2022-23

To
The Management of Polycab India Limited
Polycab India Limited,
21st floor, The Ruby, Dadar (West), Mumbai – 400028

Introduction

We ('KPMG Assurance and Consulting Services LLP', or 'KPMG') have been engaged by Polycab India Limited ('Polycab' or 'the Company') for the purpose of providing independent assurance on the non-financial sustainability disclosures presented in the Integrated Report ('the Report' or 'IR report') for the reporting period covering 1st April 2022 to 31st March 2023 ("the Year" or "the Reporting Period"). Our responsibility was to provide assurance on the Report content as described in the scope, boundary, and limitations.

Reporting Criteria

The Company applies non-financial performance criteria for developing its Integrated Report derived from the following:

- The International Integrated Reporting Council's <IR> Framework
- Global Reporting Initiative (GRI) Standards 2021
- Business Responsibility and Sustainability Reporting Framework (BRSR)

Assurance Standards Used

We conducted our assurance in accordance with the following assurance standard. Assurance requirements of the International Federation of Accountants (IFAC) International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information- (ISAE 3000- revised), for the select environmental and social disclosures in the Report.

- Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality, and understandability.
- Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

Scope, Boundary, and Limitations

- The scope of assurance covers the non-financial sustainability performance data for the period of 01 April 2022 to 31 March 2023, as presented in Polycab 's Integrated Annual report
- The sites covered under the scope of assurance include: Halol, Daman, Nashik, and Roorkee, and the corporate office of Polycab India Limited
- Following selected non-financial disclosures in 'the Report' were subjected to assurance:

<table>
<tr><th colspan="2">Global Reporting Initiative (GRI) Standards 2021</th></tr>
<tr><th colspan="2">Disclosures subject to Limited Assurance</th></tr>
<tr><td colspan="2">General Disclosures
• 2-1: Organizational details
• 2-2: Entities included in the organization's sustainability reporting
• 2-3 Reporting period, frequency, and contact point
• 2-7: Employees
• 2-8: Workers who are not employees
• 2-23 Policy commitments
• 2-28 Membership associations</td></tr>
<tr><td>Topic Standards – Environmental
• Energy (2016): 302-1, 302-3
• Water & Effluents (2018): 303-5
• Emissions (2016) & P6-E6: 305-1, 305-2, 305-4, 305-5
• Waste (2020): 306-2, 306-5</td><td>Topic Standards – Social
• Employment (2016): 401-1b, 401-2, 401-3[b]
• Occupational health & safety (2018): 403-1[a], 403-2, 403-5, 403-7, 403-9a(iii), 403-9b(iii)
• Training & Education (2016): 404-3
• Diversity & equal opportunity (2016): 405-1a(i) and 405-1b(i)
• Non-discrimination (2016): 406-1
• Child labour (2016): 408-1[c]
• Forced or compulsory labor: 409-1[c]
• Local Communities 2016: 413-1[d]
• Public Policy 2016: 415-1
• Customer Health and Safety 2016: 416-2
• Customer Privacy (2016): 418 -1</td></tr>
<tr><th colspan="2">Business Responsibility and Sustainability Reporting (BRSR)</th></tr>
<tr><th colspan="2">Quantitative Disclosures subject to Limited Assurance</th></tr>
<tr><td colspan="2">• General Disclosures: Sec A18a, Sec19 and Sec A 20
• Principle 3: E5, E8 and E11
• Principle 5: E6
• Principle 6: E1, E3, E6, E8 and L1</td></tr>
</table>

a – ISO 45001:2018 certified for Halol and Daman Locations
b – For maternity leave only
c – For Polycab manufacturing facilities only
d – CSR verified only for Halol location

KPMG Assurance and Consulting Services LLP
Embassy Golf Links Business Park
Pebble Beach, B Block, 1st & 2nd Floor,
No. 13/2, Off Intermediate Ring Road
Bengaluru 560 071 India

Telephone: +91 80 6833 5000
Fax: +91 80 6833 6999
Web: www.kpmg.com/in
Email: indiawebsite@kpmg.com

Limitations

The assurance scope excludes the following:

- Data related to the Company's financial performance.
- Data and information outside the defined reporting period.
- The Company's statements that describe the expression of opinion, belief, claims, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Data review was limited to the sites mentioned above.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- Aspects of the Report other than those mentioned under the scope above.

Assurance Procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing, and extent of the procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report to design assurance procedures that are appropriate in the circumstances.
Our assurance procedures also included:

- Assessment of the Company's reporting procedures regarding their consistency with respect to the reporting criteria.
- Understanding the appropriateness of various assumptions, estimations, and materiality thresholds used by the Company for data analysis.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of the systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Discussions with the personnel at the corporate and business unit level responsible for the non-financial sustainability data and information presented in the Report.
- Assessment of reliability and accuracy of the sustainability data reported.

Review of sustainability performance data was carried out through visits to the operations at Halol and Daman, and remotely for Nashik, Roorkee, and the corporate office. Appropriate documentary evidence was reviewed to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to the sensitive nature of the information, our team reviewed the same with the relevant authority at respective sites and at the corporate office.

Conclusions

We have reviewed the select quantitative non-financial sustainability disclosures in the Integrated Report of Polycab India Limited for the reporting period from 01st April 2022 to 31st March 2023. We have provided our observations comments to the Company in a separate management letter. These do not however affect our conclusions regarding the Report.
Based on our review and procedures performed nothing has come to our attention that causes us not to believe that the select non-financial sustainability disclosures which have been subject to limited assurance, as defined under the scope of assurance are appropriately stated in all material aspects.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social, and economic information as per the requirements of ISAE 3000 (Revised). Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC-1, and the practitioner complies with the applicable independence and other ethical requirements of the IESBA Code.

Responsibilities

Polycab India Limited is responsible for developing the Report contents. The Company is also responsible for the identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems, and derivation of performance data reported. This statement is made solely to the Management of Polycab India Limited in accordance with the terms of our engagement and as per the scope of assurance. Our work has been undertaken so that we might state to the Company those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to Polycab India Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Anand S. Kulkarni
Engagement Partner
KPMG Assurance and Consulting Services LLP
Date: 07-Jun-2023

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee

KPMG (Registered) (a partnership firm with Registration No. BA-62445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020

Registered Office: 2nd Floor, Block T2 (B Wing) Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai - 400011

Management Discussion and Analysis

Economic Review

Global Economic Review

The year gone by was marked by significant challenges faced by the nascent global economic recovery in the aftermath of the COVID-19 pandemic. Escalation of the geopolitical conflict and the ensuing sanctions led to the worsening of supply chain pressures, which were expected to ease post the pandemic. Commodity, energy, and food prices shot up substantially amidst heightened volatility, exacerbating inflationary pressures across advanced economies (AEs) and emerging market economies (EMEs) alike.

For most of the year, the global economy continued to grapple with multi-decadal high inflation and slowdown of growth, leading to aggressive monetary policy tightening on a global level, and a heightened risk of recession. Governments and central banks across economies had to strike a balance between fiscal policy and monetary policy to stoke growth, while restoring price stability and alleviating the cost-of-living pressures.

Towards the latter part of the year, as heightened interest rates started to affect consumption, the pricing pressure started exhibiting softness, prompting central banks to moderate the size and rate of pricing actions. Nonetheless, global growth is expected to decelerate during 2023. The International Monetary Fund (IMF) forecasts global growth to decline to 2.8% in 2023, from 3.4% growth in 2022, before rising to 3.0% in 2024 . Global inflation is expected to fall from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024, but will still be above the pre-pandemic (2017-19) levels of about 3.5%.

"There have been significant improvements in raw material procurement efficiency, with reduced backlogs, delays and shortages. Our integrated network is nearing pre-pandemic levels, ensuring smoother operations and better service for our customers. Additionally, we are focussed on sustainable sourcing in our effort to create shared value

Mr. Sandeep Bhargava

Executive President and Chief Procurement Officer

In March 2023, the world economy had a bad scare when the aggressive interest rate tightening manifested itself in the form of turmoil in the banking system in some AEs. However, the risk from the events was successfully staved off through quick responses by the respective governments. Continued rate hikes following the event showcases the confidence of the central banks in their economies and their ability to adapt to changing circumstances. Overall, global economic activity remains resilient amidst the persistence of inflation at elevated levels, turmoil in the banking system, tight financial conditions, and lingering geopolitical hostilities.

Global growth forecast

(%)

Particulars	Estimate	Projections	
	2022	2023	2024
World Output	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
United States	2.1	1.6	1.1
Euro Area	3.5	0.8	1.4
Japan	1.1	1.3	1.0
United Kingdom	4.1	-0.3	1.0
Canada	3.4	1.5	1.5
Other Advanced Economies	2.6	1.8	2.2
Emerging Market and Developing Economies	4.0	3.9	4.2
China	3.0	5.2	4.5
India	6.8	5.9	6.3

Source: IMF, World Economic Outlook Update, April 2023

Management Discussion and Analysis

Commodities

In FY23, most commodity prices retreated from their peak as the post-pandemic led demand surge cooled down due to the monetary-tightening measures caused by high inflation, leading to a slowdown in global growth and rising concerns regarding a global recession. However, individual commodities have seen divergent trends amid differences in supply conditions and their response to softening demand.

Copper prices on London Metal Exchange (LME) remained highly volatile during the year, tracking global sentiments around expected interest rate movement and its effect on demand, supply disruption from a couple of key copper-producing South American countries, and commentary around the relaxation in China's zero-COVID policy. Copper prices witnessed a downfall from about $10,250/MT in April 2022 to $7,000/MT in July 2022, rising again to close the year at about $9,000/MT in March 2023.

A similar trend was witnessed in aluminium prices, which declined from about $3,500/MT in April 2022 to about $2,100/MT in September 2022, rising back again to close the year at about $2,350/MT in March 2023. The price for PVC compounds, used as an insulating material for wires and cables, was also volatile tracking crude oil prices, correcting 41% by mid-year from the peak witnessed in April 2022, and regaining 11% since then by March 2023. Steel prices were range-bound but volatile during the year. The Indian rupee continued to depreciate during the year, balancing the negative impact of the declining commodity prices.

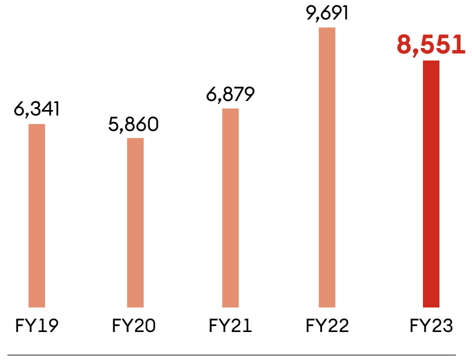
"Adverse global macroeconomic events led to high commodity price volatility during the past year. Through pricing options available to us, we were able to negate the effects of volatility and maintain margins within our guided range

Mr. Anil Hariani

Director - Commodities (Non-board member)

Average LME Copper

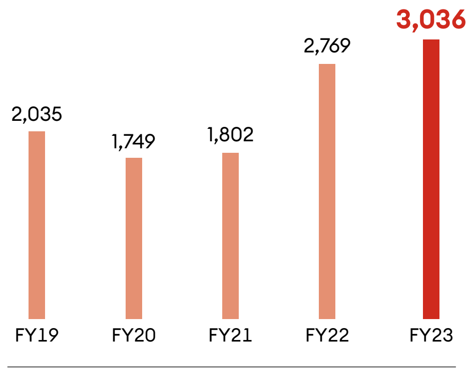
($/mt)



Source: https://www.westmetall.com/
(simple average of monthly prices)

Average LME Aluminium

($/mt)



Source: https://www.westmetall.com/
(simple average of monthly prices)

Indian Economic Review

Amidst the global economic turmoil of FY23, the Indian economy stood out for its resilient performance, largely driven by domestic consumption. With the ebbing of the third wave of COVID-19 and the lifting up of restrictions, domestic economic activity stabilised in April-May 2022. Urban demand recovered quickly and remained buoyant throughout the year, supported by pent-up spending and discretionary expenditures during the festival season, while above-normal monsoons helped revive rural demand.

Monthly GST collections achieved a unique feat of remaining above ₹1.4 lakh crore for all 12 months of FY23. Index for Industrial Production (IIP), which indicates India's industrial output, registered a growth of 5.5% for the first 11 months of the financial year. Other macro indicators such as e-way bills, railway and air freight, energy consumption, and vehicle sales, too were buoyant. The export of goods and services increased by 14% in FY23 to stand at a record $770 billion for the year, highlighting the growing strength of the Indian economy on the global stage. Furthermore, foreign exchange reserves were at comfortable levels, and external debt was low, indicating the soundness of the economic policies and management.

Global pricing pressures due to continuing geopolitical uncertainties and tightening of financial conditions percolated into the Indian economy in the form of elevated inflation, which stayed above the Reserve Bank of India's (RBI) upper tolerance band of 6% for nine months of the financial year. To regulate inflation, similar to global central banks, RBI employed monetary tightening, raising the repo rate by 250 basis points during the year.

Management Discussion and Analysis

The government adopted a multi-pronged approach to control the increase in prices, and this included bringing the import duty on major inputs to zero, imposing an export ban on wheat products and export duty on rice, and reducing the basic duty on crude and refined palm oil. On the back of these efforts, the Monetary Policy Committee (MPC) projects CPI inflation to reduce to 5.2% for FY24, within its tolerance band of 4% +/- 2%, indicating stable economic conditions.

FY23 was significant for the Indian economy as it achieved the impressive feat of becoming the world's fifth-largest economy. The Country has set a target of becoming an advanced nation by 2047 – its first centenary as an independent nation – on the back of accelerated development in infrastructure.

$770 Bn

India's exports in FY23

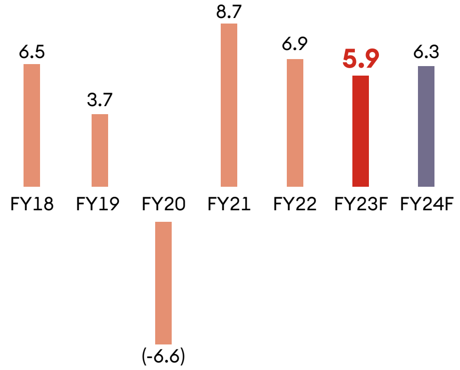
3.3%

Budgeted infrastructure capex for FY24 as % of Indian GDP

The Centre has budgeted a capital investment outlay of ₹10 lakh crore in Budget 2023-34 towards infrastructure development, which is about 3.3% of the GDP – almost three times the outlay in 2019-20 and five times compared to 2013-14. Including grants to states, the effective capital expenditure of the Centre is budgeted at about 4.5% of the GDP. The substantial increase of capital allocation towards infrastructure development in recent years is aimed to help enhance the Country's growth potential, aid job creation, crowd-in private investments, and provide a cushion against global headwinds. For FY24, the RBI predicts the Indian economy to grow by 6.5%.

India GDP trend

(% change of Indian GDP over fiscal years)



Source: World Economic Outlook, Apr 2023

Industry Review

Wires & Cables (W&C) industry

The Indian W&C industry is estimated to have grown in low teens in FY23 to ₹680-730 billion in size, contributing to 40-45% of the Indian electrical industry. Sectors like Power, Railways, Infrastructure, Oil & Gas, Telecom, Real Estate, Renewables, Defence, Automobiles, etc. are the largest demand drivers for the industry. Organised players command a lion's share of the market, at roughly 70%, while unorganised players largely dominate the rural geographies. Polycab continues to be the market leader in the segment, with a market share of 22% - 24% of the organised market.

Catering to diverse industries

Wires consist of a single conductor, while cables comprise one or more conductors employed for transmitting electricity, data, or signals. Control and instrumentation cables find use in electrical power systems or any related process control systems; telecom cables are used for voice and data transmission; and optical fibre cables provide high-speed data connection. Additionally, various other cable types are employed in consumer appliances, automotive, railways and mining.

Power cables are employed for transmitting and distributing electricity from power-generating plants to sub-stations and ultimately to end-user segments, including residential, commercial, and industrial units. Noteworthy users of power cables include the power sector (central, state, and private electricity utilities) and sectors like petrochemicals, mining, steel, non-ferrous, shipbuilding, cement, railway, and defence.

Building wires, on the other hand, are used for electrical wiring in residential and commercial properties, and are typically classified into Flame Retardant, Fire Retardant (FR), Flame Retardant Low Smoke (FRLS), and Halogen Free Flame Retardant (HFFR) categories.

Megatrends driving growth in the W&C industry

The Indian W&C market is projected to grow to ₹900-950 billion by FY26, on the back of several megatrends, including:

Government focus on infrastructure

Infrastructure development has been the central agenda of the government to drive the long-term economic growth of the Country. Over the past 5 years, the government has more than doubled its capex support in Central Budgets, increasing infrastructure capex as a percentage of GDP, from ~1.4% in FY18 to ~3.3% in FY23. Railways, Roadways, Highways, Defence, and Housing sectors have been the largest beneficiaries of the higher budgetary allocations, and being the core demand drivers for the W&C industry, are expected to accelerate industry growth. Government initiatives like National Infrastructure Pipeline (NIP), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Pradhan Mantri Awas Yojana (PMAY) will further drive demand for the W&C industry.

The manufacturing industry too is experiencing robust growth due to growing capacity utilisation, the PLI scheme, and the 'Make in India' initiative, generating more business opportunities for W&C players.

Residential real estate

Indian residential real estate market has been in an upcycle since the end of the first wave of COVID-19, with the then-existing all-time low-interest rates, central and state government introduced supportive policies, the need for purchasing a larger home realised during the Work-From-Home culture, etc. fuelling pent-up demand, which has carried on through the past 2 years, supported by long-term demand drivers such as urbanisation, government initiatives such as 'Housing for All', 'Smart Cities', etc., higher affordability through robust wage growth and largely stagnant property prices and many more. Housing sales in the top 8 Indian cities in CY 2023 registered a 9-year high, with launches exceeding sales for the first time since 2013, demonstrating the confidence of real estate developers. With a real-estate cycle generally being 6-8 years long, and a newly built residential unit implying not only increased demand for W&C but an installed base for replacement demand, the uptick in the residential real estate sector is set to be a long-term consistent growth driver for the W&C industry.

Indian railways

The railways market is dynamic and evolving. It is a massive consumer of W&C. Cables are used in signalling and control systems, power supply, and communication systems as well. The sector has been the recipient of the highest investment allocation in the last two budgets,

Management Discussion and Analysis

with the government focused on transforming the Indian Railways to improve connectivity across the Country. The government is focusing on operating more semi-high-speed trains, with production plans of trains like Vande Bharat already on the rise. In addition to this, there is the aim to rollout high-speed bullet trains between Mumbai and Ahmedabad by 2026, and operate about 150 private trains by 2027. Indian Railways has been intensifying its efforts to reduce emissions by 33% by 2030 by implementing long-term energy-saving measures and relying more on clean fuel. On the same lines, the GoI is targeting 100% electrification of all broad-gauge lines by December 2023. A dedicated Freight Corridor will boost freight activity, and will require more electric locomotives.

Increasing demand for renewable power generation

Rising GDP and economic growth will lead to growth in the power industry. To start a green revolution in the country, the government has set an ambitious target of having 500 GW of installed renewable energy by 2030, which includes 280 GW of solar power and 140 GW of wind power. Government initiatives like 'Power for All', Integrated Power Development Scheme (IPDS), Restructured Accelerated Power Development and Reforms Programme (RAPDRP), etc. indicate a promising market potential for the wire and cable industry.

Telecom upgradation and demand for data centres due to IT boom

The global fibre optics market is projected to grow from $4.9 billion in 2022 to $8.2 billion in 2027 at a CAGR of 10.9%. The Indian market is projected to reach $1.66 billion by 2026. Optical fibre cables are required by the telecom sector for their high-speed broadband applications. The growing number of mobile devices, increased adoption of Fibre-to-the-Home (FTTH) connectivity, and surge in data centres, along with the impending 5G transition, are poised to propel the demand for optical fibre cables and other equipment in India.

Other factors such as the expansion of power transmission, resilient commercial real estate sector, and good demand visibility across various end-user industries have contributed to an improved demand environment. This is expected to lead to industry expansion and strengthen the supply chain. Companies are investing in research and development to stay at the forefront of innovation, and accelerate new product development.

Organised players in the W&C industry have continued to gain disproportionately, largely due to increased consumer awareness and pandemic-led disruptions that had a significant impact on smaller players. Organised players, with their larger scale and resources, are better equipped to adapt to changing market conditions and invest in new technology and capabilities. As a result, they have succeeded in capturing a larger share of the market and strengthening their market position.

Globally, with the increasing emphasis on supply chain diversification and evolving dynamics in the global economic environment, India has emerged as an attractive destination for companies seeking to mitigate risks associated with over-reliance on limited sources. India's improving infrastructure, skilled labour force, and supportive government policies further enhance its appeal as a preferred investment destination. Exports of W&C are expected to be a huge opportunity for the growth of Indian W&C companies.

FMEG industry

Fast-Moving Electrical Goods (FMEG) are consumer electrical goods sold through various retail trade outlets and e-commerce platforms. These include fans, lights, luminaires, switches, switchgear, conduits and fittings, and so on. Over the years, the industry has evolved rapidly with the increasing participation of organised players and the emphasis on branding. Structural drivers like changes in demography, consumer behaviour, technology, and rising disposable incomes have catapulted the growth of the organised FMEG sector in India.

Megatrends driving growth

The FMEG segment for Polycab has grown at a staggering 30% CAGR during 2015-16 to 2022-23. Several megatrends are driving growth in this sector, including:

Premiumisation

Rising urbanisation continues to drive demand for residential real estate in urban areas, leading to continued demand for household electrical appliances. The wage growth in India has been ~10% over the past decade, which has led to rising disposable income and hence increased purchasing power of the earning population. The growing Indian middle class with improved standard of living, and preference for safe, quality as well as better designed and aesthetic products is manifesting itself in the form of increased demand for premium products across FMEG product categories.

Demographic dividend

India entered a demographic dividend opportunity window in 2005-06 and is expected to remain there till 2055-56. The median age of India's population is ~28.4 years with ~67% population in the 15 to 64 years bracket range. By the year 2030, the share of India's working-age population to the total population is expected to reach its highest level at 68.9%. This young population not only reinforces India's competitive advantage in the services and manufacturing sectors but also unleashes the consumption power of a young population towards discretionary spending.

Energy efficiency

In order to promote the use of energy-efficient products, the Bureau of Energy Efficiency (BEE) has, over the years, introduced voluntary and mandatory star labelling norms for certain electrical product categories. The requirement has led to an acceleration in customer education regarding the long-term advantages of using energy-efficient electrical products. Moreover, today's customer is more aware of issues such as global warming, depletion of non-renewable energy sources, rising pollution, etc., and hence is inclined towards opting for more environment-friendly, energy-efficient products. This has led to improvement in technology and innovation within the industry for developing products as per the customers evolving needs.

Rise of smart homes

With the boom of IoT and connected devices, the concept of smart homes has gained traction in India. FMEG companies are developing devices such as connected home appliances, lighting systems, and security systems that can be controlled through a smartphone app or voice assistants. This trend is expected to grow, as more consumers seek the convenience of connected homes.

Domestic industries in the FMEG sector identify innovative ways to achieve greater market share through efficient distribution channels as well as usage of alternate mode of sales such as e-commerce and modern trade stores. The sector deals with products having short product life cycles and is prone to stiff competition. To maintain their market share and sustain product lines, organisations need to innovate continuously. This involves investing in research and development to develop new products and technologies, improving manufacturing processes, and adapting to changing market trends and consumer preferences. Companies must also focus on effective marketing and distribution strategies to maximise sales and profitability.

Government Initiatives for Growth

Housing for All: The Pradhan Mantri Awas Yojana (PMAY) aims to provide affordable housing to all eligible beneficiaries. This has led to an increased demand for household electrical appliances like fans, lights, switches, and others. Moreover, the scheme encourages the use of eco-friendly and sustainable technologies for the construction of houses, including the use of energy-efficient lighting, solar water heaters, and other appliances.

Smart Cities: The government has undertaken the massive task of developing and transforming 100 cities across the country into 'Smart Cities' by incorporating technology and innovation into various aspects of urban development. This will generate demand for smart lighting, meters, and energy-efficient appliances.

Union Budget 2023: Key highlights benefitting the FMEG industry

The government has proposed to enhance the PMAY Fund by 66% to ₹790,000 million, thereby providing a boost to the housing sector which in turn generates demand for the FMEG industry.

The government also plans to spend ₹100,000 million per year for urban infra-development funds thereby boosting demand for electrical goods.

An increase in capital expenditure on infrastructure to the tune of ₹10 trillion, up 33%, will boost the Indian economy and create new job opportunities. Encouraging a new tax regime will leave more income at the disposal of consumers. Improved standard of living and disposable income will in turn increase the demand for better electrical appliances.

Smart Cities: The allocation of ₹160,000 million will transform multiple cities and deliver an improved quality of life.

Management Discussion and Analysis

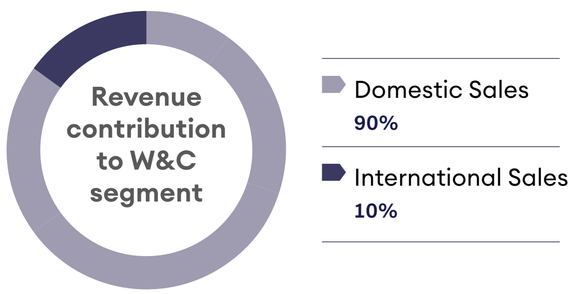
Performance Review

W&C Segment

Wires and Cables revenue witnessed a strong growth at 17% YoY to ₹125 billion, accounting for 89% of the total sales in FY23. With commodity prices on a downward trajectory from the decadal high levels at the start of the year, the increase in revenue was largely driven by volume growth, supported by the depreciation of the Indian rupee against the US dollar. Robust demand from various end-user sectors such as infrastructure, power distribution, railways, real estate, and renewable energy, coupled with government stimulus packages and structural reforms led to the outperformance in volume growth. Domestic distribution-driven business exhibited healthy double-digit volume growth primarily due to the benefits from the Heavy Duty Cables and Light Duty Cables verticals merger last year. Demand generation initiatives such as Key Account Management (KAM), capturing unorganised markets through the Emerging India vertical, distribution expansion to cities with minimal or no presence, re-activating distributors with nil or declining sales, contributed immensely to the segmental growth. Geographically, the sales were broad-based, with the highest sales in the western region, followed by south, north, and east, respectively. Demand from sectors like renewables, oil and gas, and infrastructure remained strong globally. International business exhibited a healthy growth of 50% YoY on a healthy base, led by USA, Europe, and Asia. Segmental operating profit at ₹16,447 million was up by 58% YoY, while segmental operating margin at 13.1% was up by 339 bps YoY.

17%

YoY revenue growth in W&C segment



Domestic Cables

The domestic cables business experienced exceptional growth during the year on the back of strong demand from government-led initiatives as well as private sector-driven demand. The robust growth is a win of the Company's internal initiatives and execution capabilities that allowed it to take full advantage of the strong demand. The Company's strategy to merge its HDC and LDC verticals bore results, as it enabled cross-selling, as well as unlocked significant efficiencies across salesforce, supply chain, operations, and back office, while also adding to customer delight. Distribution expansion helped the Company increase its product availability in 146 new cities during the year, boosting sales. Aiming to improve customer centricity and understand the end-user better, the Company started engaging directly with customers, generating orders for its distributors. This resulted in direct quotes from the Company to customers increasing from 16% in FY22 to 34% in FY23, giving better control over pricing and market dynamics, aiding margins as well as augmenting secondary sales. During the year, the Company also continued to improve its cash-flow generation efficiency by increasing the channel finance and advance payment from its channel partners to 83%.

To reap the benefits of the expected upcycle and grow ahead of the industry, the Company will continue with its strong focus on execution and reinforcement of its core strengths through investments in distribution expansion, R&D, digitalisation, and data analytics.

Cable Exports

During the year, the Company's export business grew by an impressive 50% over last year, contributing to 9.8% of the overall revenue, compared to 7.6% last year. The Company continued to be one of the largest exporter of cables in India, exporting to 70 countries across the globe. Demand in Americas, Europe, and Asia regions gave the maximum traction to sales. Unlike in the past, the sales growth was granular in nature, with no single order contributing to a large proportion of the exports.

Renewables, Oil & Gas, and Infrastructure sectors were the largest driver of growth during the year. The global thrust on renewable energy has played an important role in our growing export story. Transitioning to clean energy requires an overhaul of existing systems and this requires laying down fresh cables for power transmission. Polycab's success has also been through its positioning as a 'One-stop solution for all cabling requirements'. During the year, the Company launched various new cables, such as telecom hybrid cables, lead sheath offshore cables, submarine medium voltage cables, as per the industry's requirements. The Company also has a pool of global consultants who help it on the technology side whenever the Company gets new requirements from customers so that the Company can quickly respond to its customers.

9.8%

Contribution of exports to total revenue

Special Purpose Cables

Special Cables Business Unit offers e-Beam cross-linked cables that are relevant in the Railways, Defence, and Automotive markets. These cables are used in tough conditions and operate under high voltage and temperature conditions. The unit follows the B2B business model and engages directly with customers like Indian Railways, Indian Navy, ship-building companies, and automotive companies. The products are used in railway coaches, locomotives, submarines, cars, commercial vehicles (CV) and electric vehicles (EV).

For FY23, the business growth of 66% was driven mainly by the railway and defence segment.

The railways business grew well both on cables and wire harnesses. In addition to the coach and locomotive factories, a lot of progress was made with the systems suppliers in the railway segment. Opportunities generated through the Government of India's initiatives such as the focus on operating more semi-high-speed trains in the future like Vande Bharat, targeted 100% electrification of all broad-gauge lines, developing dedicated freight corridors, plan to operate more private trains, will ensure that this business will get good traction.

The defence business was driven by cables sales to the Indian Navy. To further optimise this opportunity, the development of new cables for pressure-tight underwater applications, shore supplies, is underway and will drive business in the coming years. The organisation has also developed strong relationships with all the shipyards, setting the platform for future growth.

The automotive business saw good growth in the battery cable business, high voltage cables for commercial vehicles, and electric vehicle (EV) battery charging cables. Powertrain changes from internal combustion engines to EVs are expected to be a huge phenomenon, and accordingly, product development along with product qualifications for the passenger EV cables is underway.

Domestic Wires

The domestic wire segment saw single-digit growth in FY23, on a high base and in a declining commodity price environment. Its proportion in the W&C segment saw a slight decline over the last year due to the relative outperformance of cables.

Demand for housing wires was supported by strong demand from real estate. Residential real estate is going through an upcycle, with housing sales registering a 9-year high in CY 2022. With a decline in the outstanding inventory, the residential real estate sector witnessed record launches last year and higher sales, which showcases the optimism of real estate developers and augurs well for the future growth of this segment. While the continued rise in interest rates during the year resulted in a slight slowdown in the sales momentum at the end of the year, the existing home loan rates are still lower than the average historical home loan rates and are thus not expected to have a significant impact on future growth.

Aligned with India's 'Go Green' mission, last year, the Company relaunched 'Green Wire'–an energy-efficient and environment-friendly product that conforms to European norms in environmental sustainability and cable safety. The product has found preference on a large scale from green building developers, leading to strong sales during the year. Green Wire contributed to 7% of the total retail wire sales during the year. The 'Etira' brand of wires launched last year to capture the economy price segment also did well, contributing to ~12% of the retail wire sales in FY23. Combined with the Green Wire in the premium category and Etira Wires in the economy category, the Company has covered the entire spectrum of price points, catering to all segments of customers.

The Company continued to invest in marketing activities during the year to improve brand recognition and recall. The Company launched a TV commercial for Green Wire during a sporting event, conducted product education drives, webinars, and meets for influencers, builders, and trade partners, organised training sessions for partner electricians, and launched influencer ads on social media platforms. Branding within the wires segment has become a major decision driver for the end users and Polycab will capitalise on this opportunity by continuing to invest in brand building, product marketing and influencer management.

Other: W&C update

The Company's adoption of Project LEAP has helped in achieving operational excellence and drive growth in the cables segment through the merger of HDC and LDC verticals. Cognisant of a similar opportunity in the wires

Management Discussion and Analysis

market, the Company, during the year, merged its wires segment and switches and switchgears segments. The significant overlap between the distribution channels of these verticals will be leveraged to generate higher business through cross-selling, availing a larger share of the customer's wallet. Team optimisation will also help in the faster rolling out of Go-To-Market (GTM) initiatives at a leaner cost base. Streamlining the marketing and influencer management platforms will also lead to increased efficacy.

Also, during the year, the Company tied up with a leading Swiss company Brugg Cables for a technology procurement agreement to set up EHV cables manufacturing plant in Halol, Gujarat. With power demand multiplying across all Tier 1 and 2 cities, and with 'Smart Cities' coming up, the entire overhead high voltage transmission line conductors will have to go underground, leading to the demand for High Voltage/ Extra High Voltage cables to grow exponentially. Also, due to the ever-increasing load transmission system, the Company anticipates the 220kV transmission line to move to 400 kV and soon expects to see 550 kV transmission lines in India. Through the technology know-how agreement, Brugg will transfer designing, testing, production, and installation technology to Polycab for upto 550kV voltage systems. The Company would be putting in capex in FY24 and FY25 to set up the facility and expects the project to be completed and production to start in FY26. The investment will open up an expected ₹40-50 billion of potential HV/ EHV domestic market and also a significant amount of overseas business for Polycab.

W&C: Business Outlook

The Company is positive about the growth prospects of the Wires & Cables (W&C) industry in the near to mid-term. With the government's push towards manufacturing and infrastructure, the real estate being in its upcycle, and the economic climate favourable, the W&C industry is poised for accelerated growth in the near term. Being the market leader, the Company is in a strong position to reap the benefit of the expected growth.

Domestically, the demand for W&C industry is expected to be driven by factors such as expansion and modernisation of power transmission and distribution infrastructure, upgradation and expansion of the railway network, increased investments in metro railroads, smart grid initiatives, and development of smart cities. In addition to catering to the demand from these opportunities, Polycab will look to drive growth by focusing on the twin opportunities of import substitution and that from rural geographies. The Government's emphasis on 'Atmanirbhar Bharat' has led to an increase in investment in sunrise sectors such as Renewables, Defence, and Electric Vehicles. These sectors have traditionally depended on imported cables for their requirements. However, the Company, over the past few years has ramped up its R&D activities to develop and manufacture these cables in-house and capture this expanding market. The other large opportunity that Polycab is looking at is to capture the unorganised market, largely present in Tier 3 and 4 towns of the Country. The Company launched the 'Etira' brand in the wires segment last year to cater to the price-sensitive customer base in these regions.

Globally, Renewables, Oil & Gas, and Infrastructure sectors are expected to drive the growth in the W&C industry. Diversification of supply chain globally is opening up vast opportunities for growing manufacturing markets such as India, and Polycab, being the largest wires and cables manufacturer in India, is gaining disproportionately in the export market. Leveraging its strong investment in R&D and separate manufacturing plant for each product category, the Company has established itself globally as a one-stop solution for all cabling requirements. Polycab is currently among the top 10 wires and cables manufactures in the world and aims to be among the top 5 in the medium term.

Considering the evolving customer needs, the Company is at the forefront of the market with its strong brand recall, cutting-edge R&D, largest distribution network, and superior supply chain which contributes to its competitive advantage. The Company has its sights set on the upcoming opportunities within the sector and will look at expanding its market domestically and globally.

Fast-Moving Electrical Goods (FMEG)

FMEG revenue was flat at ₹ 12,512 million during the year, as against ₹12,544 million in FY22. This was on account of the strategic realignment of the distribution channel undertaken during the year, as part of Project LEAP, to enable an improved pace of future business growth. The challenging business environment, especially for the mid-price segment and economy segment products, due to continued high inflation further affected sales. In spite of the slowdown in the current year, the business has clocked an impressive 30% CAGR growth over the past 7 years on the back of good quality and innovative products, wide distribution reach, and investments in brand marketing. The business contributed 9% to the Company's top line during the year.

Polycab worked on five major business aspects during the year to enable accelerated future growth. For the FMEG business segment, the Company moved on to a large-distributor model of operation, in which a large-distributor, supported by 8-10 sub-distributors, will cater to demand from a cluster of towns. This will increase the availability of the Company's products across a wider geography and more retail outlets, without having to on-board more distributors. The Company also increased its investment in brand building through higher spending for Above the Line (ATL) and Below the Line (BTL) marketing activities. The A&P spends, which are largely for the FMEG segment and wires, increased by 51% during the year over FY22. Through its acquisition of Silvan last year, Polycab improved on its R&D efforts for the FMEG segment, stoking innovation, as well as product development and launches across price points, to cater to customers from all segments. This is in line with the premiumisation of offerings strategy followed by the Company to improve its margins. The Company also expanded its influencer management programme to more cities, to improve brand awareness and increase sales.

₹12,512 Mn

FMEG Revenue

Management Discussion and Analysis

Fans, Appliances, Lights and Luminaries

During the year, the Company merged its Fans and Appliances vertical with its Lighting vertical to aid operational efficiency and cross-selling. Both verticals have a similar distribution network, and the merger would lead to a faster rollout of the Go-to-Market strategy at a lower cost. Going ahead, the Company will also streamline the marketing and influencer platform between the two segments to increase efficacy.

The fan and appliances industry grew by 10% YoY in FY23 to reach ₹144 billion in size, largely on account of inflation-led higher realisations as well as channel stocking of fans ahead of the transition to the BEE energy efficiency norms. The transition to BEE norms is expected to have long-lasting effects on the fans industry. As customer awareness increases about higher-energy-efficient fans, the market share of premium fans, such as BLDC, will increase–a trend already visible due to rising levels of disposable incomes as well as preference for products that guarantee quality and reliability. Moreover, it will also accelerate the market share gain of organised players, as higher input costs to attain the threshold of energy efficiency per BEE norms will bereft unorganised players–and organised players dependent on outsourcing manufacturing–of the only advantage of lower input costs. This presents an opportunity for players like Polycab, which have in-house manufacturing, to improve on margins. The Company completely liquidated its non-BEE compliant inventory and successfully moved on to the BEE-norms compliant inventory, introducing ~40 new fan SKUs in quarter-four of the year. In line with its premiumisation strategy, roughly 60% of these new SKUs were in the premium and super-premium categories. With the non-BEE compliant inventory with the channel partners sold out, the Company is positive about improved sales momentum in FY24. Sales growth next year will also be supported by the increased capacity of 6 million units annually through our new fan manufacturing plant, which became operational in Halol in March 2023.

The Lighting and Luminaires (L&L) industry is estimated to have grown in high single digits to reach ₹ 204 billion in size. The growth was comparatively lower this year as demand was affected by high inflation as well as stock correction. With demand for L&L now staying consistent through the year, distributors have moved away from the earlier practice of high inventory stocking, which has led to an industry-wide stock correction at the distributor level. Market share gains for organised players continued this year as well due to higher brand recall and improved cross-product portfolios. End-users are taking an active part in decision-making, choosing high-quality popular brands over unknown ones.

The Company continued with its strategic focus on high-value categories like panels. There has been a shift in customer preference towards the LED segment with an increase in demand for energy-efficient products, backed by the Government's thrust onto green energy. Leveraging this opportunity, the Company launched its 3-in-1 LED portfolio, aggressively marketing it through TV commercials and other influencer mediums.

Polycab has strategically merged its Fan vertical with the Lights vertical to achieve operational efficiency

Switches and Switchgears

The switches and switchgears sectors saw moderate growth this year, on a strong base, with the rebound in the real estate sector being the primary demand driver.

The low-voltage B2C switchgears industry, which is the Company's area of focus, grew by 10% YoY to reach ₹22 billion in size. For the Company, the switchgears business saw a decline on account of the distribution rejig undertaken during the year. However, the Company took some progressive steps during this transformation, to get back to growth from FY24. The Company upgraded the features of its 10kA MCBs and revised its prices upwards to match that of its peers–this will aid margins going ahead. Towards the end of the year, the Company also introduced the 6kA MCBs in certain geographies, with a roadmap to launch it pan-India in FY24. Going ahead, there are plans to participate in the B2B market, bidding for large government and industry orders, expanding the addressable market by another ₹53 billion. The influencer incentive programme too was strategically modified during the third quarter, helping the segment register growth in second half of the year over the first half.

Similar to the switchgears industry, the growth of the switches industry too moderated in FY23, to 10%, on a higher base. For the Company, after witnessing a decline in the first quarter due to supply challenges, the segment picked up a healthy pace in the remaining quarters, as its in-house manufacturing facility at Daman became operational. The segment exhibited a growth of 126% in H2FY23 over H1FY23. In addition to better product availability, the new facility will drive innovation and improve GTM time, thus helping strengthen the Company's market share. A consistent trend visible across the spectrum of customers is a rising demand for safe and secure modular switches. To capitalise on this opportunity and gain market share from the unorganised players, the Company extended its low-cost 'Etira' brand to the switches category to cater to the price-conscious customers.

From FY24, the Company intends to increase its presence and focus on both the switches and switchgears segment to get a better share of this highly lucrative high-profit margin product categories. Distribution expansion through the large-distributor model, enhanced cross-selling through the merger with the wires vertical, KAM initiatives in real estate, influencer incentive program, better product availability through in-house manufacturing, better packaging and branding, and new product development initiatives are expected to drive the growth for these two segments, as the Company looks to increase their share in the FMEG revenue basket to 50% in the coming years.

Conduits and Fittings

Conduits and Fittings are products used to route and protect electrical wiring. Made from the highest grade of waterproof and fire resistant polymers, these products are crucial for ensuring greater safety for every electrical circuit. These products are low-ticket items and are generally installed inside the wall. Hence, the quality consciousness among customers is relatively low. This, along with low barriers to entry, makes conduits and fittings a highly fragmented market, with nearly 30%-40% of it being unorganised. The size of the market as at the end of FY23 stood at ₹67 billion. The Company's conduits and fittings business was flat YoY, contributing to double-digits of the FMEG segment revenue. The Company is focused on growing this segment via cross-selling, D2C distribution expansion, and quality awareness campaigns.

Management Discussion and Analysis

Other FMEG Categories

Our other FMEG business primarily comprises pumps and solar products and is in a growing stage.

FMEG: Business Outlook

FMEG industry is poised for sustained growth backed by macro trends like rising disposable income, growing consumer aspirations and awareness, rural electrification, urbanisation, and digital connectivity.

From FY24, the Company expects its FMEG business to demonstrate growth at a rate faster than the industry. Distribution expansion through the large-distributor model will gain pace as Polycab ties up with an increasing number of large-distributors across geographies. In-house manufacturing and increased backward integration will ensure product quality, product availability, margin improvement, and reduced GTM time. The strategic merger of verticals will drive cross-selling, and help cut costs through operational efficiency, while improving customer delight.

Customer preference for product design and aesthetics continues to gain prominence. This provides a unique opportunity for challenger FMEG brands, such as Polycab, to gain market share through focus on product design and innovation. Intermediaries such as electricians, interior designers, architects, etc. have emerged as major decision influencers for FMEG products. The Company's structured influencer management programme, which was piloted last year under Project LEAP is being scaled up across more cities and all dimensions of influencers to capitalise on this trend. The Company is also investing aggressively in advertising and promotional activities, both ATL and BTL, to capture the customer's mind. In addition, the Company is also following a multi-format retail approach by creating a superior brand presence through Polycab Galleria, Arena, and Shoppe. This is a part of Polycab's strategy to showcase its product offerings and offer customers a wide range of quality products. All these initiatives will form the base for growing the FMEG top-line beyond the industry average and will be the bedrock for the Company's target of being among the top five players in select large FMEG categories in the years to come.

The Company is also committed to achieving EBITDA margins of 10%-12% by FY26 in this segment. Profitability will be supported by the Company's tactical shift towards premiumisation of its offerings. Product innovation and brand building will be leveraged to drive the sale of premium products. The Company will also increase its focus on higher-margin businesses like switches and switchgear, aiding profitability. And with all products manufactured in-house and strong backward integration, economies of scale will kick in with higher utilisation and sales.

Other Categories

The Other segment, which largely represents the Company's Engineering Procurement & Construction (EPC) business and subsidiaries, clocked ₹3,584 million in revenue, growing by 22% YoY with construction activities picking pace. Segment EBIT stood at ₹432 million with EBIT margins at 12.1%. The segment accounted for 2% of total sales for the year under review.

Other: Outlook

EPC is a strategic business, which aims to leverage the Company's wire & cables manufacturing ability and improve its management and execution skills to tap emerging opportunities in the power and digital infrastructure space. However, the Company is cognisant of the inherent challenges of the business and maintains a prudent approach when selecting projects with a great emphasis on a higher component of W&C supply in project value, optimal return of capital, and acceptable risk levels. The annual sustainable operating margin in this business is expected to be in the high single digit over the medium to long term.

Internal Control Systems and Adequacy

The Company maintains a robust framework of internal controls that are in accordance with the nature and size of the business. The framework addresses the evolving risk complexities and underpins the Company's strong corporate culture and good governance. The Internal Audit plan is approved by Audit Committee at the beginning of every year. The purpose of an internal audit is to examine and evaluate the internal controls and risks associated with the Company's operations. It covers factories, warehouses, and centrally controlled businesses and functions.

While these controls comply with the terms of the Companies Act, 2013, and the globally accepted framework issued by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission, they are also regularly tested by statutory and internal auditors for their effectiveness. The framework is a combination of entity-level controls that include enterprise risk management, legal compliance framework, internal

Market for our products

₹144 Bn Fans & Appliances	₹83 Bn Switches
₹22 Bn LV Switchgear	₹204 Bn Lighting

audit and anti-fraud mechanisms such as the Ethics Framework, Code of Conduct, Vigil Mechanism and Whistle-Blower Policy, and process-level controls, IT-based controls, period-end financial reporting and

closing controls. The Company has clearly defined the policies, SOPs, Financial & Operation RAPID (Delegation of Authority), and organisational structure to ensure smooth conduct of its business. Technologies are leveraged in process standardisation, automation, and their controls. The extensive risk-based process of internal audits and management reviews provides assurance to the Board with respect to the adequacy and efficacy of internal controls.

Internal audit reports are reviewed by the Audit Committee every quarter. Furthermore, the Committee also monitors the management actions implemented as a result of the internal audit reviews. Polycab is mindful of the fact that all internal control frameworks have limitations. Therefore, it conducts regular audits and review processes to ensure that the systems are continuously strengthened to improve effectiveness. The management has evaluated the operative effectiveness of these controls and noted no significant deficiencies or material weaknesses that might impact the financial statements as of 31 March 2023.

Management Discussion and Analysis

Human Resources

The Company believes that employees are its most valuable assets and continuously strives to help them realise their full potential. Polycab's Human Resource function looks after employee recruitment, training, performance management, emotional and mental well-being, financial wellness, and stress management. The Company believes in employee empowerment and works to create a happy and healthy work environment. People have been and will continue to be the Company's core strength.

During the year, Polycab developed and released its Rewards and Recognitions (R&R) Policy. The framework has four dimensions to ensure holistic recognition for all individuals and teams who have demonstrated outstanding behaviours and/ or performance. The process covers Rewards, Recognition, Annual Awards and Long Service Awards. During the year, 2,279 employees were recognised and rewarded under this framework.

Subsequent to the end of the year, the Company rolled out a Long Term Incentive Plan (LTIP) to incentivise high performers, who through their skills and performance have played a vital role in the success of the Company and are considered core drivers for the future growth of the Company. The LTIP comprises Employee Stock Option Plans (ESOPs), performance-based cash payouts as well as monetary support towards skill development for eligible employees, currently rolled out for a 5-year duration from May 2023 to May 2028.

"The Company believes the Long Term Incentive Plan (LTIP) will serve as a powerful tool to align the interests of employees with the long-term goals of the Company"

ESOPs provide employees with a tangible stake in the organisation's success, fostering a sense of ownership, loyalty, and motivation. By linking performance-based cash payouts to predetermined targets, the plan further incentivises employees to excel and contribute to the Company's sustained growth. Supporting employees seeking higher professional education or qualification(s) to enhance their skills and knowledge, will directly add value to the Company. This comprehensive approach will not only attract and retain top talent but will also cultivate a culture of accountability and teamwork, propelling the Company towards long-term success and value creation.

Polycab's management recognise that diversity and inclusion are crucial to its success, and continues to work towards creating a diverse and inclusive work environment at the Company. In the new switch manufacturing plant in Daman, Gujarat, female employees constitute ~65% of the employee base, and this will be further enhanced to ~70% in the next financial year. This will drive the empowerment of women and opportunity for the local talent in Daman.

At the end of FY23, the Company had 12,640 employees and workers working at its various offices, manufacturing plants and warehouses.

Financial review: FY23 vs FY22

Consolidated Balance Sheet

Property, plant, and equipment (PPE) and intangible assets

- Total additions to PPE and Intangibles were ₹5,979 million mainly on account of.

(a) Capitalisation of Building of ₹3,539 million, which largely includes ~₹2,000 million for new corporate office in Mumbai and remaining for other capex projects of Company.

(b) Capitalisation of Plant & Machinery of ₹1,938 million, which attributes ~70% for wire & cable and ~30% for FMEG.

(c) Other major additions include office equipments ₹182 million, electrical equipments ₹177 million, furniture & fixtures ₹94 million, computer software ₹20 million, freehold land ₹18 million and vehicles ₹9 million.

- Capital Work-in-Progress (CWIP) stood at ₹2,508 million as on 31 March 2023 largely attributed to the expansion of Cable and Wire and FMEG manufacturing capacities.
- The Company has provided adequate depreciation and amortisation in accordance with the useful lives of the assets determined in compliance with the requirements of the Companies Act, 2013. In a certain class of assets, the group uses different useful life than those prescribed in schedule II of the Companies Act, 2013 as detailed under the accounting policy section of the financial statements.

Investments — Current

The Company has invested surplus funds of ₹13,505 million in Liquid/ Overnight Mutual Funds mutual funds as on 31 March 2023.

Other financial assets

Total other financial assets (non-current and current) decreased by ₹210 million to ₹366 million as on 31 March 2023 on account of reduction in investment in fixed deposits having original maturity more than 12 months by ₹120 million and reduction in fair value of Embedded derivative amounting by ₹230 million. This is partially offset by increase in interest accrued on bank deposits by ₹97 million and by other items.

Other assets

Total other assets (non-current and current) increased by ₹2,512 million to ₹7,379 million as on 31 March 2023 mainly due to increase in balances with statutory authorities by ₹2,264 million and increase in capital advances by ₹283 million.

Inventories

Inventory as of 31 March 2023 was ₹29,514 million compared to ₹21,996 million as of 31 March 2022 mainly on account of increase in raw material by ₹7,150 million. The Company maintained higher inventory contemplating better business opportunities in the near future. Our inventory days (basis average) derived from consolidated financial statements was 89 days in FY23 against 81 days in FY22.

Trade receivables

Trade receivables (non-current and current) as of 31 March 2023 stood at ₹12,992 million against ₹13,763 million on 31 March 2022, a decrease of ₹771 million.

Non-current trade receivables

Non-current trade receivables stood at ₹526 million as on 31 March 2023, a decrease of ₹273 million compared to ₹799 million as on 31 March 2022. The receivables largely comprised of retention money held by government customers pertaining to ongoing EPC projects.

Management Discussion and Analysis

Current Trade Receivables

Current trade receivables decreased by ₹498 million to ₹12,466 million as on 31 March 2023. Our receivable days (basis average) derived from consolidated financial statements was 33 days in FY23 against 41 days in FY22, benefitting on account of higher channel finance sales.

Cash and Cash Equivalent and other Bank Balances

Cash and cash equivalents and other bank balance aggregated to ₹6,952 million as on 31 March 2023 compared to ₹4,071 million as on 31 March 2022. The surplus funds are parked in fixed deposits with original maturity upto 12 months.

Share Capital

The paid-up share capital as at 31 March 2023 was ₹1,498 million (31 March 2022: ₹1,494 million) comprising 149,765,278 Equity shares of face value ₹10 each.
During the year, the Company further issued 322,238 shares to employees under ESOP schemes.

Other Equity

Other equity comprises reserves and surplus and other comprehensive income. Total other equity increased by ₹10,871 million in FY23 and stood at ₹64,814 million.

Reserves and surplus included in the other equity includes retained earnings, securities premium, general reserve, and other reserves comprising ESOP outstanding account, share application money pending allotment, cash flow hedge reserve and foreign currency translation reserve.

- The Securities premium balance increased by ₹268 million due to fresh issue of equity shares to employees under ESOP scheme.
- The general reserve balance has no movement during the year and it stood at ₹615 million.
- ESOP outstanding decreased by ₹30 million due to recording of ₹108 million stock-based compensation in relation to its ESOP plans and the reduction of ₹138 million on account of exercise of stock options.
- Retained earnings balance increased by ₹10,631 million due to Profit for the year of ₹12,726 million and cash dividend payout of ₹2,095 million.
- Foreign currency translation reserve increased by ₹8 million on account of conversion of foreign subsidiary financials from their functional currency to reporting currency of the Company.
- Share application money pending allotment decreased by ₹5 million on account of issue of shares on exercise of employee stock options.

Borrowings

Borrowings (non-current and current) increased by ₹720 million to ₹1,551 million as on 31 March 2023, mainly on account of cash credit and buyer's credit loan drawn by subsidiaries.

Other Financial Liability

Other financial liabilities (current) increased by ₹171 million to ₹857 million as on 31 March 2023, mainly on account of increase in creditors for capital expenditure by ₹88 million and increase in interest accrued but not due by ₹85 million.

Other Liability

Other liability primarily consists of advances from the customer, other statutory dues, deferred liability, contract liability, refund liability, and deferred government grants. Total other liabilities (non-current and current) decreased by ₹456 million mainly on account of:

- Decrease in contract liability by ₹530 million on account of recognition of contract revenue.
- Decrease in statutory dues by ₹44 million.
- Increase in advance received from customers by ₹154 million.

Trade Payables

Total balance as at 31 March 2023 was ₹20,326 million as compared to the balance of ₹12,175 million on 31 March 2022, increase by ₹8,151 million, due to increase in acceptances and increase in size of business.

Provisions

The total balance (non-current and current) as of 31 March 2023 was ₹717 million as compared to balance of ₹518 million as of 31 March 2022. It was increased by ₹199 million due to increase in other provisions related to indirect tax matters of ₹163 million, increase in compensated absences by ₹18 million and increase in gratuity provision by ₹18 million. The parent Company in India provides gratuity benefits for its employees wherein the plan is funded with the fund balance kept with Life Insurance Corporation of India. The liability for gratuity and compensated absences is based on the valuation from the independent actuary.

Deferred Tax Liability

Deferred tax liability increased to ₹423 million from ₹272 million, an increase of ₹151 million on account of tax impact on temporary differences.

(₹ million)

	31 March 2023	31 March 2023	Movement
Non-current tax assets (net of provision for taxation)	252	479	(227)
Current tax liabilities (net of advance tax)	(349)	(159)	(190)
Net tax asset / (liability) at the end of the year	**(97)**	**319**	**(417)**

The net tax liability as on 31 March 2023 was ₹97 million, an increase of ₹417 million was due to tax provision of ₹4,121 million which is offset by advance tax payment of ₹3,704 million.

Consolidated Results (P&L)

Revenue from Operations

Revenue from operations increased by 16% to ₹141,078 million in FY23 from ₹122,038 million in FY22 largely on account of healthy volume growth in the cable and wire business. Our segment-wise growth is as below:

(₹ million)

	Revenue		
	Year ended 31 March 2023	Year ended 31 March 2022	YoY growth
Wires and cables	123,203	106,302	16%
FMEG	12,404	12,502	-1%
Revenue from Construction Contracts	3,636	1,888	93%
Others	1,490	1,128	32%
Export incentive and government grant	345	218	58%
Total	**141,078**	**122,038**	**16%**

Other Income

Other income primarily comprises interest income, income from investment in mutual funds, fair valuation of financial instruments, exchange difference, and others. Other income increased by ₹434 million to ₹1,333 million mainly attributed due to:

- Increase in gain on mutual fund investment by ₹424 million
- Increase in gain on sale of property, plant and equipment by ₹98 million
- Increase in fair valuation of financial instruments by ₹30 million
- Increase in interest income by ₹26 million
- Decrease in exchange gain by ₹133 million

Management Discussion and Analysis

Cost of Goods Sold

Costs of Goods Sold (COGS) consists of the following line items in the financials:

- Cost of materials consumed
- Purchases of stock-in-trade
- Changes in inventories of finished goods, stock-in-trade, and work-in-progress
- Project bought outs and subcontracting costs

Costs of goods sold as a percentage of sales decreased by 3.1% to ₹105,109 million in FY23 mainly due to favourable business mix and judicious price revisions.

Employee Benefit Expenses

The employment expenses increased by ₹502 million to ₹4,568 million from ₹4,066 million, an increase of 12% was on account of yearly increments and new hiring. As a percentage to revenue, employee cost was 3.24 % in FY23 as compared to 3.33% in FY22.

We instituted the ESOP Plan 2018, ESOP Performance Scheme, and ESOP Privilege Scheme for issuance of stock options to eligible employees. The compensation cost recognised for these ESOP schemes was ₹108 million for FY23 and ₹161 million for FY22 which was included in the employee benefit expenses.

Finance Cost

Finance cost largely includes interest cost, bank charges, and foreign exchange gains/(losses) on borrowings. Our finance costs increased by ₹246 million to ₹598 million in FY23 primarily due increase in acceptances and hike in interest rate.

Depreciation and Amortisation Expense

Depreciation and amortisation expense increased to ₹2,092 million in FY23 compared to ₹2,015 million in FY22, increase of ₹76 million largely due to addition in PPE.

Other Expenses

Other expenses increased by ₹2,217 million to ₹12,880 million in FY 23 from ₹10,663 million in FY 22. As a % of revenue, other expenses were 9.13% in FY 23 as compared to 8.74% in FY 22.

Increase/Decrease was largely on account of:

- Increase in advertising and sales promotion spends by ₹421 million mainly due to spends on major campaigns like T20 Cricket World Cup, ICC World Cup Tournaments, Green Wire TV commercial, etc.
- Following expenses are in line with an increase in revenue:
  - Increase in power and fuel by ₹398 million
  - Increase in freight and forwarding expense by ₹406 million
  - Increase in sub-contracting expenses by ₹194 million
  - Increase in legal and professional charges by ₹175 million
  - Increase in travel and conveyance expenses by ₹130 million

Consolidated cash flow

	As on 31 March 2023	As on 31 March 2022	Change
Net cash inflow from operations	14,275	5,116	9,159
Net cash used in investing activities	(12,026)	(4,269)	(7,757)
Net cash used in financing activities	(2,271)	(2,007)	(264)
Net increase/decrease in cash and cash equivalents	(22)	(1,160)	1,138

Net cash inflow from operations:

Net cash inflow from operating activities in FY23 was ₹14,275 million mainly on account of:

Major cash inflows:

- Operating profit before working capital changes by ₹19,037 million
- Increase in Trade Payable by ₹7,980 million
- Decrease in financial liabilities and provisions by ₹1,105 million

Major cash outflows:

- Increase in inventories by ₹7,517 million
- Increase in Non-current financial assets by ₹2,229 million

Net cash used in investing activities:

Net cash used in investing activities in FY23 was ₹12,026 million mainly due to:

- Net investment in mutual funds and fixed deposits of ₹7,665 million
- Purchase of property, plant and equipment (including CWIP) of ₹4,774 million

Net cash used in financing activities:

Net cash used in financing activities in FY23 was ₹2,271 million, mainly on account of:

- Payment of dividend of ₹2,095 million

Details of significant changes in key financial ratios

	As on 31 March 2023	As on 31 March 2022	Change	Remark
Debtors' turnover ratio	11.1	8.9	24.3%	Higher channel finance led to improvement in debtor's turnover ratio
Inventory turnover ratio	4.1	4.5	-9.7%	Higher inventory maintained contemplating better near-term business opportunities led to decline in inventory turnover ratio
Current ratio	2.6	2.9	-10.9%	Decrease largely on account of increase in usage of Letter of Credit partly offset by increase in inventory
Debt equity ratio	0.02	0.01	55.8%	No significant changes
Operating margin (EBITDA/ Net sales)	13.1%	10.3%	2.8%	Improvement due to change in sales mix and judicious price revisions
Net profit margin (PAT/Net sales)	9.1%	7.5%	1.6%	Improvement due to change in sales mix and judicious price revisions
Return on equity	20.9%	17.7%	3.2%	Improved due to higher profitability during the current year

Business Responsibility and Sustainability Report

Section A: General Disclosures

Sr. No.	Details of the listed entity:	
1.	Corporate Identity Number (CIN) of the Entity	L31300GJ1996PLC114183
2.	Name of the Listed Entity	Polycab India Limited (the Company / Polycab)
3.	Year of Incorporation	1996
4.	Registered Office Address	Unit No.4, Plot No.105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat – 389350
5.	Corporate Address	Polycab India Limited #29, "The Ruby", 21st Floor, Senapati Bapat Marg, Tulsi Pipe Road, Dadar West, Mumbai – 400 028
6.	E-mail	shares@polycab.com
7.	Telephone	022-673511400
8.	Website	www.polycab.com
9.	Financial Year for which report is being done	FY 2022- 23
10.	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited (NSE) • BSE Limited (BSE)
11.	Paid-up Capital (₹)	₹1,497.65 million
12.	Name and contact details (telephone, email) of the person who may be contacted in case of queries on the BRSR report	Ms. Manita Carmen A. Gonsalves Company Secretary and Head Legal Telephone No: 022-673511400 e-mail id: shares@polycab.com
13.	Reporting Boundary (Standalone or Consolidated basis)	The disclosures made in this report are on a standalone basis.

Products and Services:

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1.	Wires and Cables	Manufacturing of wires and cables	89%
2.	FMEG	Manufacturing of fans, lighting and luminaires, switchgear, switches, and small domestic appliances.	9%

15. Product/Services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product/ Service	NIC Code	% of Total Turnover Contributed
1.	Wires and Cables	2732	89%
2.	FMEG	2710/2740/2750	9%

Operations:

16. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	25- Manufacturing Facilities 23- Warehouses and Depots	1-Corporate Office 4- Regional Offices 9-Local Offices	62
International	-	-	-

17. Markets Served by the Entity:

a) Number of Locations:

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	70 Countries

b) What is the contribution of exports as a percentage of the total turnover of the entity?

In FY 2022-23, exports contributed 10% of the Company's revenue through our international business. This growth was driven by strong orders from key markets like the USA, Europe, and Asia. Through Project Leap, we focused on new product development, expanding into new geographies, and obtaining approvals. Our aim is to become the preferred provider of cable and wiring solutions internationally by delivering superior products, exceptional service, and expanding our distribution network. We are confident that these efforts will increase our market share and drive future growth.

c) A brief on types of customers?

Polycab is India's largest manufacturer of Wires and Cables, and a prominent player in the Fast-Moving Electrical Goods (FMEG) space. Our products are used across industries like Infrastructure, Oil & Gas, Transport, Power, Telecom, Real Estate, Defence, Chemicals, Metals, Technology, Manufacturing, Renewables, Non-metals, Cement, Agriculture, Data Centers and Consumer Durables and other original equipment manufacturers operating in the above segments. Our products are mostly sold through dealers and distributors. Our EPC division has completed a range of government and private projects including refinery works, rural and urban electrification and extra high voltage cable laying etc. Polycab is also one of the largest exporters of cables in India, serving customers across Renewables, Oil & Gas, Infrastructure and many other sectors globally.

Employees:

18. Details as at the end of Financial Year 2022-23

a) Employees and Workers

Employees (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
1.	Permanent Employees	2,565	2,397	93%	168	7%
2.	Other than Permanent Employees	1,082	1,058	98%	24	2%
3.	Total Employees (1+2)	3,647	3,455	95%	192	5%

Workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
4.	Permanent Workers	1,920	1,919	100%	1	0%
5.	Other than Permanent Workers	7,073	6,866	97%	207	3%
6.	Total Workers (4+5)	8,993	8,785	98%	208	2%

b) Differently abled Employees and Workers

Differently Abled Employees

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
1.	Permanent Employees	6	6	100%	0	0%
2.	Other than Permanent Employees	1	1	100%	0	0%
3.	Total Employees (1+2)	7	7	100%	0	0%

Differently Abled Workers

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
4.	Permanent Workers	1	1	100%	0	0%
5.	Other than Permanent Workers	0	0	0%	0	0%
6.	Total Workers (4+5)	1	1	100%	0	0%

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19. Participation/ Inclusion/ Representation of Women

	Total (A)	Number of Female (B)	Percentage (B/A)
Board of Directors (BOD)	11#	2	18%
Key Management Personnel*	1	1	100%

\# Mr. Bhaskar Sharma has been appointed as an Independent Director on 12 May 2023.

*Excluding BOD

20. Turnover rate for permanent employees and workers:

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17%	38%	18%	17%	20%	17%	8%	18%	8%
Permanent Workers	3%	0%	3%	12%	0%	12%	1%	0%	1%

Holding, Subsidiary and Associate Companies (including joint ventures):

21. Names of holding/ subsidiary/ associate companies/ joint ventures

Sr. No.	Name of the holding/ subsidiary/ associate company/ joint venture	Indicate whether holding/ subsidiary/ associate company/ joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/No)
1.	Tirupati Reels Private Limited	Subsidiary	55%	No
2.	Dowells Cables Accessories Private Limited	Subsidiary	60%	No
3.	Silvan Innovation Labs Private Limited	Subsidiary	100%	No
4.	Polycab Australia Pty Limited	Subsidiary	100%	No
5.	Polycab Support Force Private Limited	Subsidiary	100%	No
6.	Uniglobus Electricals and Electronics Private Limited	Subsidiary	100%	No
7.	Polycab USA LLC	Subsidiary	100%	No
8.	Polycab Electricals and Electronics Private Limited	Subsidiary	100%	No
9.	Steel Matrix Private Limited	Subsidiary	75%	No
10.	Techno Electromech Private Limited	Joint Venture	50%	No

CSR Details:

22. (i). Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii). Turnover (in ₹)	139,116 million
(iii). Net Worth (in ₹)	66,091 million

Transparency and Disclosures Compliances:

23. Complaints/ Grievances on any of the Principles (1-9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in place (Yes/No) (Provide web-link of policy)	Current Financial Year 2022-23			Previous Financial Year 2021-22		
		Number of complaints filed	Number of complaints pending at close of year	Remarks	Number of complaints filed	Number of complaints pending at close of year	Remarks
Communities	Yes. Refer Point 1.	0	0		0	0	
Shareholders	Yes. Refer Point 2.	250	0		112	0	
Employees and Workers	Yes. Refer Point 3.	0	0		0	0	
Customers	Yes. Refer Point 4.	337,022	861	0.26% cases pending against total calls & 99.74% calls resolved	325,350	914	0.28% pending against total calls & 99.72% calls resolved
Value Chain Partners	Yes. Refer Point 5.	1	0		0	0	

The Company has ensured that all the stakeholder groups of Polycab have a dedicated point of contact to address their grievances.

1. Communities – Polycab through its social welfare foundation engages with experts in respective fields by appointing NGOs and consultants for specific projects, programs and activities. The communities can raise concerns, provide feedback on ongoing projects, and raise grievances related to CSR projects/ programs/ activities, by accessing dedicated email id: shares@polycab.com. Refer link

2. Shareholders – Investors and shareholders have direct access to the Company Secretary and Compliance Officer via a dedicated email ids: investor.relations@polycab.com and shares@polycab.com. Refer link

3. Employees and Workers – The Company's 'Whistle-Blower Policy' is a mechanism that allows not only employees and workers but also other stakeholders to report grievances. It also ensures that complainants are protected with full anonymity and any anti-retaliation or victimisation practices. Refer link

4. Customers – To connect with customers and register their grievances, Polycab has setup a dedicated customer care service that resolves customer grievances and quality and product related complaints via different mechanisms including toll free tele-calling and email: customercare@polycab.com. Refer link

5. Value Chain Partners - The Company's Supplier Code of Conduct includes suppliers, service providers, vendors, traders, agents, consultants, contractors, dealers, distributors, business associates and joint venture partners third parties including their employees, agents, and other representatives. The suppliers may raise a concern as per the Whistle-Blower Policy of the Company. 1) Refer link 2) Refer link

Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle No.	Principle	Policies	Hyperlink
1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	Anti-Bribery Policy Conflict of Interest Policy	Weblink Weblink
2	Businesses should provide goods and services in a manner that is sustainable and safe	Quality Policy	Weblink
3	Businesses should respect and promote the well-being of all employees, including those in their value chains	Code of Conduct Whistle Blower Policy Human Rights Policy Organisation Health Safety & Environment Policy (OHSE Policy) Policy for Prevention of Fraud Investigation Policy Disciplinary Action Policy	Weblink Weblink Weblink Weblink Weblink - -
4	Businesses should respect the interests of, and be responsive towards all its stakeholders	POSH Policy CSR Policy	Weblink Weblink
5	Businesses should respect and promote human rights	Human Rights Policy Equal Opportunity Policy	Weblink Weblink
6	Businesses should respect and make efforts to protect and restore the environment	OHSE Policy Supplier Code of Conduct	Weblink Weblink
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	-----	-
8	Businesses should promote inclusive growth and equitable development	Equal Opportunity Policy CSR Policy	Weblink Weblink
9	Businesses should engage with and provide value to their customers in a responsible manner	Code of Conduct Quality Policy Data Protection & Privacy Policy	Weblink Weblink Weblink

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity
1	Climate Change and Energy	Opportunity	• Polycab is committed to utilising technology to empower customers and foster collaborative efforts in combatting global climate change while promoting energy efficiency. • Our innovative range of renewable energy products plays a crucial role in ensuring the long-term sustainability of our business. This transition enables us to position ourselves as a customer-focused provider of solar solutions, aligning seamlessly with our commitment to environmental consciousness and green initiatives. • Polycab offers a comprehensive solar energy solution in domestic and international markets, showcasing our commitment to eco-friendly practices. We have developed power cables, rubber (elastomeric) cables, and electron-beam irradiated cables that meet the increasing demand for sustainable products, reflecting global market trends and growing ecological awareness among consumers. • Polycab's transition to renewable energy sources not only addresses the pressing need to combat climate change but also brings long-term cost savings to the organisation. Embracing renewables allows Polycab to reduce its energy expenses while actively contributing to the global initiative of addressing the urgent environmental challenges. • Polycab incorporates various alternative energy sources, such as wind-solar hybrid systems and innovative power purchase contracts, to enhance renewable energy consumption in its operations.		Positive
2	Health and Safety	Risk	• Health and safety of our employees and workers is of paramount importance to the organisation. • Identifying health and safety issues and hazards, placing measures to minimise the risks to life and property instills confidence in our employees and workforce.	• Our major manufacturing facilities in Halol and Daman follow processes as per ISO 45001 and adhere to the best practices in operational health and safety. • We provide regular health and safety trainings to all our employees and workers in order to foster a safety culture and create safe working environment.	Negative
3	Innovation	Opportunity	• Rising customer demand for low carbon sustainable products and solutions. • Our research and development activities are focused towards delivering sustainable high-performance products. There are processes in place to understand and analyse market requirements related to products that are environmentally sustainable. • Research and development remain one of our key strengths which enables Polycab to achieve product differentiation and offer unique value proposition to our consumers, distributors, dealers as well as institutional customers. • 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 environment friendly products.		Positive
4	Water Management	Risk	• Water management is a key material issue in areas of operation which fall under water stress zones. • Shortage of water can impact production capacities, while mismanagement of water can lead to actions or penalties from regulatory authorities.	• We are conscious of our responsibility to ensure sustainable water management, especially in areas of operation that come under water stress zones.	Negative
5	Waste Management	Risk	• For a manufacturing company, appropriate handling and disposal of waste is vital for environmental protection and safety. • Inappropriate handling and management of waste can also lead to legal fines and litigations.	• There are appropriate waste management processes in place that allows proper collection, segregation, and disposal of waste in a safe manner. • The Company has collaborated with vendors approved and authorised by the Central Pollution Control Board and State Pollution Control Board for safe disposal of hazardous waste.	Negative
6	Diversity and Inclusion	Opportunity	• Polycab wants to build an organizational culture that creates a sense of belonging and a culture of openness. • The Company has an 'Equal Opportunity Policy' that encourages non-discrimination in recruitment, promotion, transfer, training, wages, and salary administration and working conditions. • Polycab strives to amplify its diversity and inclusion initiatives that goes beyond gender and looks at truly creating a diverse workforce which will contribute effective ideas and thoughts that cut across barriers and overcome biases.		Positive
7	Responsible Supply Chain	Risk & Opportunity	• Our supply chain consists of both local and global suppliers, with a significant part of our raw materials being supplied by international suppliers.	• The organization has managed to forge long-term relationships with our significant raw material suppliers, with a significant number of our suppliers having the best practices for sustainability. • We have put in practice a necessary due-diligence process before engaging with any supplier or logistics delivery partner for long-term contracts.	Negative/Positive

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Sr. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity Negative/Positive
8	Labour Management	Risk & Opportunity	• As a manufacturing organization, compliance to labour management and labour laws is critical.	• The Company has a dedicated software platform to ensure complete compliance with all the applicable labour rules and regulations. • Also, the 'equal opportunity policy' ensures that all the employees have the right to work in an environment that respects the dignity, self-worth, and basic human rights of every individual.	Negative/Positive
9	Product Stewardship	Opportunity	• The responsibility to minimise a product's environmental impact throughout all stages of its life cycle, is at the core of responsible actions by Polycab. • Polycab products follow European Union (EU) directives, restriction of hazardous substances (RoHS), and registration, evaluation, authorisation, and restriction of chemicals (REACH) compliance. • The organization has focused to enhance its product design and processes to encourage the safe, efficient, and sustainable use of its products and mitigate the environmental impact. • Polycab Green Wire is manufactured using improved grade raw materials that can be recycled & ensures low carbon emission, power efficiency, and deliver greater protection. It meets the stringent European norms in environmental sustainability and cable safety. • Our BLDC fans combine energy efficiency, advanced technology and convenient features to provide comfortable and eco-friendly cooling solution for residential and commercial spaces. • Polyshield's Residual Current circuit breaker (RCCB) used in association with miniature circuit breakers (MCB) detects leakage currents minimises fire risks, thus protecting people and equipment. The MCBs are also one of the most energy efficient MCBs available with power loss values up to 70% lower than specified by IEC/IS.		Positive
10	Employee training and development	Opportunity	• To continue to deliver quality consistently in the current levels of operations and business, it is imperative to continuously train and upgrade the skills of our employees and workers. • To develop the skills of our employees and workers, job specific and personal development trainings are provided. A leadership development program is crafted as per the strategic requirements of the organization that identifies upcoming and relevant development opportunities for individuals.		Positive

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes out in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1. a) Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b) Has the policy been approved by the Board? (Yes/No)	The policies/ procedures are approved by the functional heads, and few of them have been adopted by the Board/ Board Committees.								
c) Web Link of the policies, if available	Policies are available on the website of the Company i.e., www.polycab.com. Policies which are internal to the Company are available on the intranet of the Company.								
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 17025 – R&D center to support own manufacturing • ISO 9001:2015 • ISO 14001:2015 • ISO 45001:2018 • ISO 50001:2018 • IATF 16949: 2016 • British Approval Service for Cables (BASEC) • Importer – Exporter Code (IEC) • Underwriter laboratories (UL) certifications • RoHS & REACH compliant								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	Polycab has identified ESG key focus areas and has set ESG targets internally which are monitored and acted upon continuously. Our sustainability strategy is closely aligned with the UN SDGs to contribute towards meaningful change around the world.								
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) Polycab being a responsible corporate citizen, is fully conscious of its duties towards society. The Company strongly believes that embedding Environmental, Social & Governance (ESG) principles in its business operations and its adherence is essential to building resilience in the business, transforming culture and for long-term value creation of all our stakeholders. Sustainability is at the heart of our business philosophy. Our sustainability strategy considers key sustainability trends and all possible impacts of our business operations on our stakeholders. Furthermore, we consider key opportunities and risks while developing our short-term and long-term strategies. This year marks the beginning of our structured approach towards ESG, through the development of our long-term ESG framework, aligned with international ESG protocols and guidelines. We have identified our key material topics, covering factors pertaining to climate change and energy, health and safety, innovation, corporate governance, ethics, and integrity among others, which will form the basis of management's approach towards business going ahead. We will measure and evaluate our performance against these ESG parameters to create long-term sustainable value for all our stakeholders.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)	The Board of Directors								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes/No). If "Yes", provide details	The Board of Directors Board Level Committee: Corporate Social Responsibility and ESG Committee								

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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any Other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes									Annually/Periodically								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes																	

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No).

If "Yes", provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
No								

12. If Answer to Question (1) Above is "NO", i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any Other Reason (please specify)									

Section C: Principle-wise Performance Disclosure

Entity demonstrates their performance in integrating the Principles and Core Elements with key processes and decisions.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ Principles covered under training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	11	Polycab conducts detailed and exhaustive familiarisation programs on various topics including National Guidelines on Responsible Business Conduct (NGRBC) principles, factory visit, awareness related to statutory and regulatory changes, interactions with institutional investors, etc. It also includes familiarisation training for i-Power, Code of Conduct, core values and business purpose to the Independent Directors of the Company.	100%
Employees other than BoD and KMPs	201	Polycab affirms that investing in human capital training and development not only serves as motivation, but it also enables the Company to create a highly skilled, effective and efficient workforce. Continuous learning and development for our employees sets the tone for sustainability within and outside the organization. Employees are encouraged consistently to improve their skillsets, competencies, and knowledge. Various trainings are undertaken for skill development for our employees such as trainings on occupational health and safety, machine operational study, communicational skills, interpersonal skills and upgrading knowledge on software, and enhancing their IT skills. Additionally, several awareness programs are conducted on work ethics, compliances, governance, prevention of sexual harassment (POSH), HR policies, practices and codes, IT security and data privacy, ethical and social behavior, soft skills, team building and other human right related aspects.	100%
Workers	312	Programs are conducted on work ethics, health and safety, quality system, HR policies and practices, environment, fire drills and safety, prevention of sexual harassment, importance of safety (PPE) tools and safety kits, readiness to accidents and preventive reporting of dangerous occurrences.	100%

2. There were **no instances** of any material (monetary and non-monetary) fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year FY 2022-23.

3. Of the instances disclosed in Question 2, above detail of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide web-link to the policy.**

   Yes. The Company has adopted an 'Anti Bribery Policy' in line with legal and statutory framework on anti-bribery and anti-corruption legislation prevalent in India. The policy encompasses all permanent and temporary employees, subsidiaries, joint venture partners, associate companies, third parties associated with the Company to abstain from engaging in any form of bribery or corruption. It reflects the Company's commitment to maintain the highest ethical standards and undertake fair business practices.

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5. There were **no instances** of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/ KMPs/ employees/ workers.

6. There were **no complaints** received in relation to issues of conflict of interest of the Directors and KMPs during the reporting period FY 2022-23.

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not Applicable

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No). If "Yes", provide details of the same.

   Yes. The Company has a policy on management of 'Conflict of interest' in order to identify actual or potential conflict of interest of Polycab with its directors and employees, that may arise during its business activities. The Company has implemented organizational and administrative processes to safeguard, mitigate and prevent conflict of interest along with escalation mechanisms. The Company has a guidance mechanism in place for directors/senior management to address potential conflict of interests that may arise in recommending/approving proposals for investments/granting loans.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year 2022-23	Previous Financial Year 2021-22	Details of improvements in environmental and social impacts
R&D	77%	NA	The Company has implemented Robotic arm & Auto Grinding Technology, which has resulted into reduction of plastic waste generation. Furthermore, the Company is also dedicated to creating cutting-edge, energy-efficient products, such as BLDC fans and green wires, to promote sustainability and reduce carbon footprint.
Capex	31%	NA	

Note: NA- Not Available for FY 2021-22

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No).

   Yes

   b. If "Yes", what percentage of inputs were sourced sustainably?

   As a corporate philosophy, Polycab believes in conducting ethical, safe, fair and environmentally responsible business. The Company manufactures products that are RoHS and REACH compliant, thus reducing and eliminating use of restricted raw materials. We aim at partnering with our suppliers to improve the sustainability performance across our value chain. Our Supplier Code of Conduct (SCoC) has been developed in line with national and international standards and global best practices on safety, health, environment, labour, human rights, ethics, and fair business. Therefore, we expect our suppliers to adhere to the standards mentioned in the SCoC and fully comply with applicable national and international laws, rules, and regulations. This ensures responsible sourcing and implementation of sustainable business practices throughout our value chain. In FY 2022-23, 70% of purchased inputs by value were sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life for:**

Plastics (including packaging)	Polycab has developed waste management systems and processes for collection, segregation and disposal of hazardous and non-hazardous waste generated at the manufacturing premises.
E- Waste	Polycab follows the environmental regulatory requirements and disposes the hazardous waste generated at the manufacturing units through authorised dealers. The Company is actively working on implementing systems to identify, evaluate, and safely manage the end-of-life process of its products, including reusing, recycling, and proper disposal. The hazardous waste generated is stored and disposed according to the applicable regulatory laws and guidelines.
Hazardous Waste	
Other Waste	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No).**
   - If "Yes", whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board?
   - If "Not", provide steps taken to address the same.

   Yes. Waste collection processes are in line with the EPR guidelines and steps are being taken for working out modalities for efficient and effective waste management.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1.(a) **Details of measures for the well-being of Employees:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,397	2,397	100%	2,397	100%	NA	NA	0	0%	0	0%
Female	168	168	100%	168	100%	168	100%	NA	NA	0	0%
Total	**2,565**	**2,565**	**100%**	**2,565**	**100%**	**168**	**100%**	**0**	**0%**	**0**	**0%**
Other than Permanent Employees											
Male	1,058	1,058	100%	1,058	100%	NA	NA	0	0%	0	0%
Female	24	24	100%	24	100%	24	100%	NA	NA	0	0%
Total	**1,082**	**1,082**	**100%**	**1,082**	**100%**	**24**	**100%**	**0**	**0%**	**0**	**0%**

(b) **Details of measures for the well-being of Workers:**

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	1,919	1,919	100%	1,919	100%	NA	NA	0	0%	0	0%
Female	1	1	100%	1	100%	1	100%	NA	NA	0	0%
Total	**1,920**	**1,920**	**100%**	**1,920**	**100%**	**1**	**100%**	**0**	**0%**	**0**	**0%**
Other than Permanent Workers											
Male	6,866	6,866	100%	6,866	100%	NA	NA	0	0%	0	0%
Female	207	207	100%	207	100%	207	100%	NA	NA	0	0%
Total	**7,073**	**7,073**	**100%**	**7,073**	**100%**	**14**	**100%**	**0**	**0%**	**0**	**0%**

Note: NA- Not Applicable

2. **Details of retirement benefits, for Current FY 2022-23 and Previous FY 2021-22**

Benefits	Current Financial Year 2022-23			Previous Financial Year 2021-22		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)
PF						
Gratuity	100% as per eligibility	100% as per eligibility	Yes	100% as per eligibility	100% as per eligibility	Yes
ESI						

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3. Accessibility of Workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

If "Not", then whether any steps are being taken by the entity in this regard.

Polycab's premises/offices are accessible and accommodative to the differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, please provide the web-link of the policy.

'Respect' is one of the integral values of Polycab wherein we respect people for what they are and their well-being as well as recognise each other's efforts and contributions. We aim to create an environment where employees are valued, respected, and have freedom to develop their skills and perform to their best potential. At Polycab, we encourage diversity at workplace in terms of gender, ethnicity, age, religious belief, education, sexual orientation, or physical ability among others. We have an 'Equal opportunities Policy' that aims at recognizing and providing equal opportunities in employment and creating an inclusive work environment.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

In FY 2022-23, 3 female employees had availed maternity leave, out of which 1 employee was due for return to work during the reporting period but has left the organization and 2 employees are eligible to return in FY 2023-24. Therefore, the return to work rate and retention rate is 0.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If "Yes", give details of the mechanism in brief:

Permanent Workers	Yes	Policy link
Other than Permanent Workers		
Permanent Employees		
Other than Permanent Employees		

The Company has in place 'Code of Conduct', 'Whistle Blower Policy', 'Human Rights Policy', 'Disciplinary Action Policy' (Available on Polycab Intranet), OHSE Policy and Policy for Prevention of Fraud which is available to all employees on intranet to ensure that business principles are safeguarded, and adequate facilities are provided to for employees, workers, suppliers, customers, and other stakeholders to disclose information, practices or actions that may be inappropriate or illegal and violate our codes, policies, and business ethics amongst others. The Complaints, based on their nature and severity, are segregated, and assigned to the Business Unit Head, Chief Human Resource Officer, Internal Complaint Committee & Whistle Officer and are then followed up by the Whistle Officer for redressal and appropriate disciplinary action. The Company encourages all its stakeholders to raise concerns, grievance, and alerts. The Complainant is provided adequate protection under the policies.

All employees and workers can report via below modes:

- Through email at: speakup@polycab.com.
- In case of letters (protected disclosure) submitted by hand-delivery, courier or by post addressed to the Chairman of the Audit Committee at address T P Ostwal & Associates LLP, Chartered Accountants Suite # 1306-1307, Lodha Supremus, Opp. Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Polycab does not have any employees or worker unions or associations. However, in line with the Policy on Respect for Human Rights, Company recognises right to freedom of association.

8.(a). Details of training given to employees and workers on "Health and Safety Measures"

Category	Current Financial Year 2022-23		
	Total (A)	Number (B)	Percentage (%) (B/A)
Employees			
Male	3,455	570	16%
Female	192	79	41%
Total	**3,647**	**649**	**18%**
Workers			
Male	8,785	3,168	36%
Female	207	24	12%
Total	**8,992**	**3,192**	**35%**

Note: We have initiated monitoring of training data on health and safety measures from the financial year 2022-23

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

(b) Details of training given to employees and workers on "Skill Upgradation"

Category	Current Financial Year 2022-23		
	Total (A)	Number (B)	Percentage (%) (B/A)
Employees			
Male	3,455	1,903	55%
Female	192	156	81%
Total	**3,647**	**2,059**	**56%**
Workers			
Male	8,785	2,514	29%
Female	208	30	14%
Total	**8,993**	**2,544**	**28%**

9. Details of Performance and Career Development reviews of employees and workers:

Category	Current Financial Year 2022-23			Previous Financial Year 2021-22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
Employees						
Male	3,455	3,455	100%	4,596	4,596	100%
Female	192	192	100%	203	203	100%
Total	**3,647**	**3,647**	**100%**	**4,799**	**4,799**	**100%**
Workers						
Male	8,785	8,785	100%	3,374	3,374	100%
Female	207	207	100%	12	12	100%
Total	**8,993**	**8,993**	**100%**	**3,386**	**3,386**	**100%**

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10. Health and Safety Management System:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If "Yes", then coverage of the system.	Yes. The Company's Occupational Health and Safety Management System is based on the International Standards for Occupational Health and Safety (ISO 45001:2018) and has been implemented at our major manufacturing facilities in Halol and Daman.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis of the entity?	Occupational Health Safety and Environment Policy (OHSE) aims at ensuring our way forward for excellence and leadership in Health, Safety and Environment protection by continual improvement in our structured Health, Safety and Environment management system. The goal of Hazard identification is to find and record all possible hazards that may be present at workplace and ensuring mitigation or bringing the risk to as low as reasonably possible or acceptable for all routine processes. For non-routine processes, we have Permit to Work system which ensures that adequate measures are taken before initiating any non-routine activity tasks. • Hazard Identification and Risk Assessment (HIRA) registers. • Procedure for non-conformity and incident investigation. • On-Site Emergency Plans. • Procedure for communication, participation, and consultation. • Procedure for monitoring and performance management. • Procedure for operational control. • Procedure for Permit to Work.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)	Yes. The workers can report work-related hazards through internal platforms such as Whistle-Blower policy, and safety committee meetings. Any employee or worker can pause and recuse themselves from unsafe acts and situations they believe could cause injury.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Apart from medical and healthcare facilities available to the employees / workers on occupational health and safety risks, the employees/ workers have access to non-occupational medical and healthcare services and are further covered under Company's health insurance policy.

11. Details of safety related incidents, in the following format:

Safety Incidents/Number	Category	Current Financial Year 2022-23	Previous Financial Year 2021-22
Lost Time Injury Frequency Rate (LTIFR)	Employees	0	0
	Workers	0.13	0.15
Total recordable work-related injuries	Employees	0	0
	Workers	2	-
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The organization prioritizes employee and worker safety by conducting safety awareness campaigns, delivering internal and external trainings, and installing visual controls, signs, and 'Do's and Don'ts'. To inspire trust and increase operational efficiency, the Company has developed its safety practices in accordance with the International Standard for Occupational Health and Safety (ISO 45001).

To foster a zero-harm attitude in its workforce, the Company has incorporated lean safety measures such as the '5S - Sort, Set in order, Shine, Standardize, and Sustain'. Workers' engagement and collaboration in decision making in their everyday operating operations drives health and safety at Polycab. To guarantee ongoing improvement in safety, the organization undertakes cross-unit safety audits and reviews on a regular basis.

The emphasis on safety is reinforced throughout the year through events such as National Safety Week, National Fire Week, and Road Safety Week. Various awareness events are held on these days, such as fire drills and hands-on practice with firefighting equipment, shopfloor quizzes, and Hazard Hunts, among others. The Company has processes in place to identify, mitigate, and eliminate risks, and contingency plans in case of emergencies. The Company also makes certain that statistical information and analysis of safety-related occurrences and near-miss events are displayed on the shopfloor.

13. **No complaints** were made on working conditions and health and safety conditions by employees and workers during safety committee meetings.

14. Assessment for the Year (2022- 23):

	% of plants and offices that were assessed (by entity or statutory authorities or third party)
Health and Safety Practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risk/ concerns arising from assessment of health and safety practices and working conditions.

With an aim to provide safe working conditions, the health and safety team conducts exercise for identification of hazards, occupational health issues, and working environmental aspects of all the processes within the Company's operations. The team also performs root cause analysis, maintains an aspect-impact register, and risk-opportunity registers are available for all the processes which are reviewed periodically to identify and mitigate risks and capitalize on opportunities. Corrective actions suggested, basis root cause analysis is disseminated parallelly across our manufacturing locations for implementation.

Leadership Indicators

1. **Does the entity extend any life insurance or compensatory package in the event of death of (A). Employees; and (B). Workers (Yes/No). Provide detail.**

   Yes. The Company has covered all the employees under group life insurance in the event of any unfortunate death of the employee. The Company has a Demise Policy for supporting an employee's family in the eventuality of untimely demise of an employee while providing services to Polycab .

2. There were **no cases** of the employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities needing rehabilitation or placement in suitable employment.

3. Polycab does not provide transition assistance programs to facilitate continued employability and/or manage career endings resulting from retirement or termination of employment.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the process for identifying key stakeholder groups of the entity.**

   As a responsible Company, focused on driving growth through the strong foundation of stakeholder relationships, Polycab believes in listening, connecting, and partnering with its key set of stakeholders to understand their concerns, working with them to minimise risks, improving credibility, and gaining their trust. We consider our key stakeholders to be those who can create considerable business and social impact and are significantly impacted by our business. We identify our stakeholders based on inclusivity and make active efforts to engage with them to understand their key priorities and concerns. We carefully analyse the information received in the form of suggestions, comments, grievances, feedback, and recommendations from these engagements and utilize them to align our strategies with stakeholder's expectations. Successful execution of these strategies paves the way for the creation of sustainable value across stakeholder groups.

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2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees (on-roll and contractual workforce)	No	• E-mail • Town-hall meetings • Webcasts • Intranet portal • Newsletters • Feedback and Surveys	As and when necessary	Polycab workforce is critical for continuity of the operations, design, production, sales, research, and development. Their support helps us move towards realizing our corporate vision. Key areas of interest: • Training & Development • Rewards & Recognition • Top-down communication about important changes, policies • Information about Company's business growth plans and business performance
Shareholders/ investors and Analysts	No	• Annual General Meeting; • Investor Relations Web Page • Quarterly condensed financial statements • Detailed quarterly presentations • Annual Report • Quarterly investor conference calls • Broker conferences • Media briefings conducted quarterly/annually and on need basis • Press Releases	Engagement sessions conducted periodically	Provide financial capital needed to fund the operations. Their faith is important for the continued growth of the Company. Key areas of interest: • Business Update • Financial Performance • ESG Disclosures • Corporate Governance • Regulatory Compliance
Channel partners, distributors, retailers and influencers	No	• After sales services • Relationship building activities • Surveys and feedback sessions	Engagement sessions conducted periodically	Enable strong brand connect, act as our ambassadors, enhance goodwill and drive profitable growth. Provide critical support in getting us direct feedback from the market. Key areas of interest: • Providing information regarding products and services • Rewards & Recognition
End consumers	No	• Collation and analysis of customer feedback • Engagement through website, social media, in-store promotions • In-house and third-party market research surveys, meetings • Brand campaigns conducted regularly, during festive seasons and sales promotions	As and when necessary	End consumers hold a paramount role as key stakeholders, as their satisfaction and delight constitute a pivotal component of our strategy for achieving success. Key areas of interest: • Information on business offerings, environment friendly products • Product quality, product availability & product pricing
Government agencies, regulatory bodies and local authorities	No	• Disclosures and filings for compliance reporting • Meeting authorities for permissions/ approvals	Audits conducted periodically/ monthly/ quarterly/ annually and on need basis	The government agencies and regulatory bodies provide requisite regulatory framework and registrations essential to conduct the businesses smoothly. Key areas of interest: • Compliance • Tax Payments • Policy Advocacy
Communities and environment	Yes	• CSR initiatives • Volunteering initiatives	Community events and functions conducted on regular basis	Responsible corporate citizenship Key areas of interest: • To develop the CSR project along with the community, according to the need of the community • Monitoring & Evaluation
Vendors	No	• Capacity building and sustainability for suppliers	Surveys by calls, virtual meets, email or in person supplier meets conducted on continuous basis	Quality raw material availability from registered suppliers enable us to produce quality products on time. Key areas of interest: • Due-diligence during on-boarding • Periodic assessments of services • Quality & Cost • Understand new market trends

The Company has in place Policy for prevention of Sexual Harassment of Women at workplace and Corporate Social Responsibility Policy.

Leadership Indicators

1. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topic? (Yes/No) If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. The Company engages with various stakeholders in the form of stakeholder engagement exercise to arrive on the identification and management of material issues.

   Refer to 'Our Stakeholders and Deep Dive into our material issues' section of the Integrated Report for further details.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	Current Financial Year 2022-23		
	Total (A)	Number (B)	Percentage (%) (B/A)
Employees			
Permanent	2,565	2,565	100%
Other than permanent	1,082	1,028	95%
Total Employees	3,647	3,647	100%
Workers			
Permanent	1,920	1,920	100%
Other than permanent	7,073	6,111	86%
Total Workers	8,993	8,049	90%

Note: The Company has initiated monitoring of training related data from financial year 2022-23.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	Current Financial Year 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)
Employees					
Permanent					
- Male	2,397	0	0%	2,397	100%
- Female	168	0	0%	168	100%
Other than Permanent					
- Male	1,058	0	0%	1,058	100%
- Female	24	0	0%	24	100%
Workers					
Permanent					
- Male	1,919	1	0.05%	1,918	99.95%
- Female	1	0	0%	1	100%
Other than Permanent					
- Male	6,866	2,888	42%	3,978	58%
- Female	207	196	94%	11	6%

3. **Details of remuneration/ salary/ wages, in the following format:**

Particulars	Male		Female	
	Number	Median salary/ wage of respective category	Number	Median salary/ wage of respective category
Board of Directors (Executive Director)	5	25,051,945	-	-
Board of Directors (Independent Director)	4#	3,620,000	2	2,092,500
Key Managerial Personnel	-	-	1	4,306,108
Employees other than BoD and KMP*	2,392	689,006	167	750,000
Workers*	1,919	240,240	1	197,112

Mr. Bhaskar Sharma has been appointed as an Independent Director on 12 May 2023.

* For the above purpose permanent employees and permanent workers are considered.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Polycab's 'Human Rights Policy' and 'Equal Opportunity Policy' aims at recognizing and protecting the dignity of all human beings at workplace. The Whistle Officer/ Whistle Committee / Internal Committee of the Company shall be responsible to deal with the grievances related to a wide range of topics that include prevention of sexual harassment, misuse of managerial authority, human trafficking and modern slavery, safety at workplace, human dignity, child and forced labour, equal opportunity and inclusion, anti-bullying, and harassment. Stakeholders can raise protected disclosure by writing to the email: speakup@polycab.com

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Polycab has the 'Human Rights Policy' which is applicable and binding on all employees, directors, officers of the Company and its subsidiaries, joint venture partner(s) and associate companies. The policy is framed and guided by the fundamental principles enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration"). The policy encompasses topics ranging from sexual harassment, misuse of managerial authority, human trafficking and modern slavery, safety at workplace, human dignity, child and forced labour, equal opportunity and inclusion, anti-bullying, and harassment. Additionally, the Company has 'Disciplinary Action Policy', available to all employees on intranet and a disciplinary action committee comprising of the Chairman and Managing Director, Chief Human Resource Officer, Company Secretary & Compliance Officer, Chief Financial Officer, and a functional head exists to take necessary action in cases of serious misconduct and inappropriate corporate behavior. The committee determines the severity of the incident and its impact, based on which appropriate action is taken by the committee head which is final and binding. The complainant may raise protected disclosure by writing at the email: speakup@polycab.com. Further details regarding the procedure adopted to handle complaints is mentioned in 'Whistleblower Policy' https://polycab.com/wp-content/uploads/2021/07/Whistle-Blower-Policy-1.pdf.

6. There have been **no complaints** related to sexual harassment, discrimination at workplace, child labour, forced labour/ involuntary labour, wages or any other human rights related issues during FY 2022-23 and FY 2021-22 by employees / workers.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Our Whistleblower policy has clearly laid down the guidelines to prevent retaliation against a complainant. A complainant has the right to complete anonymity unless required by law enforcement agencies. The organization prohibits retaliation against a complainant that may include discrimination, reprisal, harassment, or vengeance in any manner. The whistleblower will not be at the risk of losing her/ his job or business or adverse impact or suffer loss in any other manner like transfer, rejection, termination, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle-Blower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. A complainant may file a written complaint under Protected Disclosure to the Chairman of the Audit committee.

To handle cases related to sexual harassment, Polycab has an Internal Committee for time-bound redressal of complaints. The Internal Committee is constituted by the management and consists of a presiding officer, minimum of two employee members committed to the cause of women or who have experience in social work or have legal knowledge, and a member from an NGO/lawyer/any external body. The committee is responsible to inquire into every formal written complaint of sexual harassment, make appropriate recommendations and remedial measures to respond to any substantiated allegations of sexual harassment, discourage and prevent employment-related sexual harassment. The Internal Committee will thereafter provide advice or extend support as requested and will conduct inquiry to resolve the matter. It ensures confidentiality is maintained for all complaints and the complainant is protected against any form of victimization and discrimination.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. The business agreements, purchase orders and contracts with our suppliers include our Supplier Code of Conduct (SCoC). The SCoC is applicable to all our suppliers. 'Supplier' here includes suppliers, service providers, vendors, traders, agents, consultants, contractors, dealer, distributors, business associates and joint venture partners, third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to the Company or any of its subsidiaries, affiliates or divisions. The Company expects the suppliers to fully comply with applicable laws, rules and regulations and adhere to internationally recognised environmental, social and governance standards including working conditions and well-being of their employees, anti-harassment, anti-discrimination, abolition of child and forced labour.

9. **Assessment for the FY 2022-23:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. **Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Qs. 9, above.**

Not applicable

Leadership Indicators

1. **Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Polycab's premises and offices have the necessary infrastructure provisions to enable access to differently abled visitors.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Current Financial Year 2022-23 (in GJ)	Previous Financial Year 2021-22 (in GJ)
Total Electricity Consumption (Grid) (A)	620,211	466,902
Total Fuel Consumption (B)	108,936	NA
Energy (Electricity) consumption through Other Sources (Renewable – Solar & Wind) (C)	124,136	94,484
Total Energy Consumption (A+B+C) (in GJ)	**853,283**	**561,386**
Energy intensity per rupee of turnover (GJ/₹ Crore)	61.34	46.40
(Total energy consumption/turnover in rupees)		

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency. – Yes the independent assessment was carried out by KPMG Assurance and Consulting Services LLP.

NA- Not Available for FY 2021-22. We have widened the scope of fuel consumption data from current financial year.

2. **Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Yes/No) If "Yes", disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable, as Polycab does not fall under PAT scheme of Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Polycab prioritizes environmental conservation and resource management, aiming for increased efficiency and quality in our manufacturing practices. Despite not being a water-intensive industry, we understand the water stress in India and emphasize responsible water usage. We maintain a water balance and implement innovative technologies, efficient monitoring systems, and water recycling to minimise consumption. Our manufacturing units have ETPs for operational wastewater and STPs for domestic wastewater, ensuring responsible water management as per regulatory guidelines. Our goal is to preserve this shared resource and contribute to a sustainable water future. In line with our CSR initiatives focused on environmental concerns, Polycab has taken proactive measures to address severe water scarcity in Gujarat's communities. We have constructed four new check dams and renovated four existing ones in villages like Rayankhand, Vavdi, and Pandol. These efforts aim to alleviate water shortages and enable villagers to cultivate a second crop alongside their monsoon season crops.

Parameter	Current Financial Year 2022-23	Previous Financial Year 2021-22
Water withdrawal by source (in kilo-litres)		
(i). Surface Water	0	NA
(ii). Groundwater	752,685	NA
(iii). Third Party Water	9,918	NA
(iv). Seawater/ Desalinated water	0	NA
(v). Others (Please specify)	0	NA
Total Volume of water withdrawal (in KL) (i + ii + iii + iv + v)	**762,603**	**800,000**
Total volume of water consumption (in KL)	**762,603**	**800,000**
Water intensity per rupee of turnover (KL/₹ Crore) (water consumed/ turnover)	55	66
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

Polycab consumes the same amount of water as it withdraws.

NA-Not Available for FY 2021-22. We have begun monitoring for various sources of water consumption data from current financial year.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If "Yes", provide details of its coverage and implementation.**

Polycab manufacturing units are equipped with effluent treatment plants (ETPs) and sewage treatment plants (STPs) facilities. The domestic wastewater generated from the toilet and canteen facilities is treated in STPs while the wastewater from operational activity is treated in ETPs. The STP treated water is utilized within the premises for flushing and gardening activities, ensuring no discharge of water outside of the premises. Our manufacturing units follow applicable guidelines as given by the regulatory bodies.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	Current Financial Year 2022-23	Previous Financial Year 2021-22
NOx	µg/m3 (sum of avg of all locations)	252	Within permissible limits
Sox	µg/m3 (sum of avg of all locations)	228	Within permissible limits
Particulate Matter (PM)	µg/m3 (sum of avg of all locations)	824	Within permissible limits

Note: We undertake third party lab testing for each of these air emission parameters including NOx and SOx for all locations periodically to ensure the parameters are within permissible limits. We also submit the reports to the concern authority.

6. **Please provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:**

Parameter	Please specify unit	Current Financial Year 2022-23	Previous Financial Year 2021-22
Total Scope 1 Emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	$MTCO_2e$	6,528	NA
Total Scope 2 Emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	$MTCO_2e$	123,181	105,053
Total Scope 1 and Scope 2 emissions per crore rupee of turnover	$MTCO_2e$/ ₹ crore	9.32	8.68

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

NA- Not Available for FY 2021-22. We have widened the scope of GHG emissions data from current financial year.

7. **Does the entity have any project related to reducing Greenhouse gas emissions?**

If "Yes", then provide details.

Yes. Polycab has taken several measures for reduction of energy consumption. The Company takes continuous efforts towards improving the operational efficiencies thus minimising consumption of energy and reducing greenhouse gas emissions.

a. 34.5 million KWH electricity has been consumed from renewable energy sources in FY23. This has led to reduction of 24,482.31 $MTCO_2e$ emission reduction in FY 2022-23.

b. We are using 100% LED lighting (at Halol location) and have stopped buying conventional lights (HPSV/HPMV, CFL etc).

c. Polycab has installed Variable Frequency Drives (VFD) in Air compressors and pumps, resulting in additional energy savings of approximately 68 GJ and approximately 13.72 $MTCO_2e$ emissions avoided.

d. Polycab has also installed Energy Efficient Motors in new machines.

e. Our BLDC fans combine energy efficiency, advanced technology, and convenient features to provide comfortable and eco-friendly cooling solution for residential and commercial spaces.

Business Responsibility and Sustainability Report

8. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year 2022-23
Total Waste Generated (in metric tonnes)	
Plastic Waste (A)	63
E-Waste (B)	1.3
Bio-medical Waste (C)	0.01
Construction and Demolition Waste (C&D) (D)	0
Battery Waste (E)	0
Radioactive Waste (F)	0
Other Hazardous Waste generated (G) (Please specify, if any)	1,923
Other Non-Hazardous Waste generated (H) (Please specify, if any)	7,132
Total Waste Generated (A+B+C+D+E+F+G+H)	**9,120**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency. – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

For hazardous category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons). - None

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category Waste Name: Hazardous Waste	Current Financial Year 2022-23
(i) Incineration	-
(ii) Landfilling	-
(iii) Other disposal operations	1,916
Total	**1,916**

For Non-Hazardous category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) – None

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category Waste Name: Non-Hazardous Waste	Current Financial Year 2022-23
(i) Incineration	-
(ii) Landfilling	-
(iii) Other disposal operations	7,196
Total	**7,196**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Polycab aims at reducing generation of waste during the entire lifecycle of its products. The Company has systems and processes for waste management, segregation, collection, and disposal. The Company practices efficient and environment-friendly end-of-life disposal methods. The waste is disposed through authorised agencies. The Company has green wires portfolio that uses only lead free, non-carcinogenic, and non-hazardous raw materials that are RoHS (Restriction of Hazardous Substances) and REACH compliant.

10. If the entity has operations/ offices in & around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/ clearances are required, please specify details in the following format:

None of the offices or plant locations are around ecologically sensitive areas.

11. During FY 2022-23, the Company has not conducted any environmental impact assessments.

12. The Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder

Leadership Indicators

1. Provide break up of the total energy consumed (in Joules or multiples) from Renewable Energy and Non-Renewable sources, in the following format:

Parameter	Current Financial Year 2022-23 (GJ)	Previous Financial Year 2021-22 (GJ)
From Renewable Sources		
Total electricity consumption (A)	124,136	94,483
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**124,136**	**94,483**
From Non-Renewable Sources		
Total electricity consumption (D)	620,211	466,902
Total fuel consumption (E)	108,936	NA
Energy consumption through other sources (F)	-	-
Total energy consumed from Non-Renewable Sources (D+E+F)	**729,147**	**466,902**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/ No). If "Yes", name the external agency – Yes, the independent assessment has been carried out by KPMG Assurance and Consulting Services LLP.

NA-Not Available for FY 2021-22. We have widened the scope of fuel consumption data from current financial year.

2. Provide the following details related to water discharge:

Polycab manufacturing units are equipped with appropriate ETP and STP facilities with the primary focus to promote recovery, recycling, and reuse of water. After processing the wastewater through treatment mechanisms, water is then reused to fulfil non-process requirements.

3. Water withdrawal, consumption, and discharge in areas of 'Water Stress' (in kilo litres):

For each facility/plant located in areas of water stress, provide the following information:

i. Name of area: Daman

ii. Nature of operations: Production and manufacturing of wires

iii. Water withdrawal, consumption, and discharge in the following format:

Parameter	Current Financial Year 2022-23
Water withdrawal by source (in kilo litres)	
(i) Surface Water	0
(ii) Ground Water	21,686
(iii) Third Party Water	0
(iv) Seawater/Desalinated Water	0
(v) Others	0
Total volume of water withdrawal (in KL)	**21,686**
Total volume of water consumption (in KL)	**21,686**
Water intensity per rupee of turnover (water consumed/ turnover)	0
Water intensity (optional)- the relevant metric may be selected by the entity	0

Polycab manufacturing units are equipped with effluent treat plants (ETPs) and sewage treatment plants (STPs). All the domestic wastewater generated from the toilet and canteen facilities is treated in STPs while the wastewater from operational activities is treated in ETPs to usable quality water. The treated water is utilized within the premises for flushing and gardening activities, ensuring no discharge of water outside of the premises.

4. None of Polycab's units are in ecologically sensitive areas.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. (a) Number of affiliations with trade and industry chambers/ associations: **11**

   (b) List the top 11 trade and industry chambers/ associations (determined based on the total numbers of such body) the entity is member of/ affiliated to.

Sr. No.	Name the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	The Federation of Indian Chambers of Commerce and Industry	National
2.	The Associated Chambers of Commerce and Industry of India	National
3.	Confederation of Indian Industry	National
4.	Electrical & Electronics Manufacturing Association	National
5.	Federation of Indian Export Organizations	National
6.	Bombay Chamber of Commerce and Industry	National
7.	ASMECHEM Chamber of Commerce and Industry of India	National
8.	Indian Fan Manufacturers Association	National
9.	Fire & Security Association of India (FSAI)	National
10.	Consulting Electrical Engineers Association of Maharashtra (CEEAMA)	National
11.	National Federation of Engineers for Electrical Safety (NFE)	National

2. There has been **no action** taken or underway on any issues related to anti-competitive conduct by the entity, based on any adverse orders from regulatory authorities.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) projects undertaken by the entity based on applicable laws, in the current financial year 2022-23:**

   Not Applicable

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   Not applicable

3. **Describe the mechanisms to receive and redress grievances of the community**

   Polycab India Limited established Polycab Social Welfare Foundation (PSWF) in 2020 as a not-for-profit organization aimed at providing a dedicated approach to community development and to fulfil CSR commitments of Polycab Group. PSWF works towards various social causes including removing malnutrition, improving healthcare and healthcare infrastructure, supporting education, women empowerment, environment, skill development, disaster management, agriculture, animal husbandry, sanitation, national heritage, and culture. PSWF also partners with non-governmental organizations (NGOs) that visit communities, interact with the people, to address grievances and supports Polycab to create a positive impact amongst the local communities. The governance for CSR at Polycab is a two-tier system with CSR and ESG committee recommending and monitoring CSR Annual Action Plan and Board of Directors approving and reviewing it annually. Robust mechanisms are put in place to resolve queries and redress grievances of the community and the CSR projects/programs/activities by reaching out at cs@polycab.com.

4. **Percentage of input material (input to total inputs by value) sourced from suppliers:**

	Current Financial Year 2022-23
Directly sourced from MSMEs / Small producers	3.3%
Sourced directly from within the district and neighboring districts	5.4%

Leadership Indicators

1. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

   Polycab awards contracts based on merit and not on preferences.

2. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR projects	CSR activities	No. of persons benefitted from CSR Projects#	% of beneficiaries from vulnerable and marginalised groups
1.	Health Care	1. Health camps in villages 2. i Breast Check-up camp 3. De addiction session 4. Girl Child Health Award 5. Camps on awareness of healthy newborn baby 6. Support to Eye Hospital 7. Health Mobilisers 8. Dialysis Centre Support 9. Accessories to disabled 10. Nutrition Kits 11. Health check-up camps 12. Support to Cancer Centre 13. Cochlear Implants to children	69,463	94%
2.	National Heritage Art & Culture	1. Support to Public Library	Footfall of 150 person per day	45%

Business Responsibility and Sustainability Report

Sr. No.	CSR projects	CSR activities	No. of persons benefitted from CSR Projects#	% of beneficiaries from vulnerable and marginalised groups
3.	Education	1. Support for domestic wiring village and 3 Ashramshalas 2. Training on Advance Sewing Course to Girls 3. Training on domestic wiring and welding 4. Trained women SHG group on agarbatti making 5. Computer Classes to students 6. Martial Arts training for Girls 7. Dance classes for Girls 8. Infrastructural support for building Science Lab 9. LEAAD in 12 Schools 10. Smart Classes in Ashram Schools 11. Career Counselling 12. Science Fair 13. Scholarship Scheme 14. Workshop -in Ashram Schools 15. Science Tuition Classes 16. Anganwadi Teacher's Training 17. Infrastructural support in Anganwadis 18. Benches in School 19. Support for School Accessories	18,113	87%
4.	Rural Development	1. Sessions on sustainable farming 2. Mushroom Farming/ Organic Farming 3. Vermicompost 4. Sports Schemes Awareness Sessions 5. Pashu Arogya Sathi 6. Sports & Competitions in Villages	7,983	95%
5.	Environment	1. Construction and renovation of water harvesting structures, Check Dams Pond deepening and Coastal cleaning - Daman 2. Animal Check-up Camps, Animal husbandry session	8,542	85%
		3. Clinic Renovation	126 per day	

Approximately.

Principle 9: Business should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Polycab has developed standard protocols to take cognizance of all the consumer complaints and feedbacks from multiple channels as mentioned below.

   The customers can reach Polycab through multiple communication channels that include a centralized helpline number, email-id & online service request on Polycab web site. These centralized consumer response centers receive customer queries, complaints, and feedbacks.

   1. Polycab Helpline number 1800 267 0008
   2. Email ID-customercare@polycab.com
   3. Online Service request on www.polycab.com

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As percentage to total turnover
Environmental and social parameters relevant to the product	17%
Safe and responsible usage	100%
Recycling and/or safe disposal	-

3. **Number of consumer complaints in respect of the following:**

	Current Financial Year 2022-23			Previous Financial Year 2021-22		
	Received	Pending at end of year	Remarks	Received	Pending at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Customer Complaints	337,022	861	0.26% cases pending against total calls & 99.74% calls resolved	325,350	914	0.28% pending against total calls & 99.72% calls resolved

4. There have been **no instances** of product recalls (voluntary or forced) on account of safety issues during the financial year FY 2022-23.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No).**

   If available, provide a web-link of the policy.

   Yes. The Company has 'Data Protection and Privacy Policy'.

6. There have been **no occurrences** on issues relating to advertising, health, safety, marketing and labelling regulations, delivery of essential services, cyber security and data privacy of customers or any product recalls for Polycab. All customer complaints received on various channels mentioned above (indicator 1 of this principle) are dealt with on a priority basis and resolved effectively in a time-bound manner.

Leadership Indicators

1. **Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if possible)**

   The details for all of the Company's products and services can be accessed on the Company website: https://polycab.com/contact-us. Additionally, the Company also publishes Integrated Annual Report, engages on social media platforms and media advertisements/publications.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

   The Company displays product information on the product label, over and above what is mandated as per local laws. The Company has set up experience centres at various locations and conducts meetings and trainings to its dealers, influencers, distributors and consumers about its products,.

3. **Mechanism in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

   Polycab, as a manufacturer of electrical wires and cables, is not directly involved in providing essential services (as defined in 'The Essential Services Maintenance Act, 1981). However, Polycab supplies its products to customers that may be providers of essential services.

4. a. **Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable). If "Yes", provide details in brief.**

   Yes. Polycab displays product information on the product label as mandated by law. All Polycab products carry details with regards to the safe handling and usage. Moreover, on product packaging, the Company engraves markings relevant to 'recycling, fragile, umbrella, etc.' and relevant compliances such as RoHS, REACH, etc.

   b. **Did your entity carry out any survey with regard to customer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).**

   Yes. The Company collects customer feedback through feedback forms and outbound calls.

Board's Report

To
The Members of Polycab India Limited

Your Directors take pleasure in submitting the 27th Annual Report of the business and operations of your Company ('the Company' or 'PIL') and the Audited Financial Statements for the financial year ended 31 March 2023.

1. Financial & Operations Highlights of the Company

(₹ in million)

Sr. No.	Particulars	Standalone		Consolidated	
		Current Year 31 March 2023	Previous Year 31 March 2022	Current Year 31 March 2023	Previous Year 31 March 2022
1	**Revenue from Operation**	139,116	120,979	141,078	122,038
2	**Earnings before Interest & Depreciation**	18,111	12,400	18,429	12,626
	Other Income	1,361	905	1,333	899
	Finance Cost	561	334	598	352
	Depreciation	2,024	1,966	2,092	2,015
3	**Profit before tax and exceptional items**	16,887	11,005	17,073	11,159
	Exceptional items	-	1,243	-	-
4	**Profit before tax**	16,887	12,248	17,073	11,159
	Income tax expenses	4,171	2,936	4,250	2,706
5	**Profit for the year from continuing operations**	12,716	9,313	12,823	8,452
6	**Profit before tax from discontinued operations**	-	-	-	136
	Gain on disposal of discontinued operations	-	-	-	817
	Tax expense on discontinued operations	-	-	-	233
7	**Profit for the year from discontinued operations**	-	-	-	721
8	**Profit for the year**	12,716	9,313	12,823	9,173
9	Earnings Per Share (in ₹)				
	Basic	84.98	62.39	84.87	60.87
	Diluted	84.72	62.12	84.61	60.60

The standalone as well as the consolidated financial statement have been prepared in accordance with the Indian Accounting Standards (Ind AS).

Consolidated:

During the year PIL posted a consolidated turnover of ₹141,078 million rising by ₹19,040 million YoY from ₹122,038 million in the previous year. The consolidated EBITDA (excluding other income) and profit after tax stood at ₹18,429 million and ₹12,823 million as against ₹12,626 million and ₹9,173 million in the previous year. The Company achieved several significant milestones in FY23 such as all-time high annual revenue and profitability. Overall top-line surpassed ₹140 billion clocking 15.8% CAGR in last 5 years. International business too clocked an all-time high sale of ₹13.8 billion, making Polycab one of the largest exporter of wires and cables in India. Fast Moving Electrical Goods (FMEG) business was stead above the ₹12 billion mark. The Company also churned out record cash with negligible debt levels.

Indian economy has exhibited remarkable resilience in the face of global volatility, with several high-frequency indicators pointing towards sustained positive momentum. The manufacturing PMI, services PMI, and core 8 industries have consistently remained above long-term averages, reflecting a robust growth trajectory. Furthermore, growth momentum has been visible in key sectors such as steel and cement output, GST collections, e-way bill generation, capacity utilization, and rising demand for electricity and travel. This is a clear indication of the country's strong economic fundamentals, which continue to attract investment and drive growth. In addition, double-digit credit growth further underscores the positive momentum in the economy. The downward trajectory of inflation bodes well for the economy, as it helps to boost consumer confidence and spending. While headline CPI inflation eased to an 18-month low of 4.7% YoY in April 2023, Core CPI grew 5.1% in April 2023, the lowest in 35 months. The rural sector, which is a critical driver of the Indian economy, has also exhibited positive signs.

Wires and Cables revenue grew strongly by 17% YoY to ₹125,369 million, accounting for 89% of total sales in FY23. The growth was primarily driven by a substantial increase in volume sales, supported by both internal and external factors. The Company's relentless focus on execution, proactive investments in brand building, customer centricity, pricing actions, and digitalization have contributed to its success. Moreover, the government's emphasis on driving economic growth and implementing structural reforms has provided a favourable business environment for Polycab. During the year, domestic distribution driven business showed strong volume growth of 21%. The outperformance was primarily on account of benefits realized through the merger of HDC and LDC verticals last year. Within domestic distribution, cables grew faster than wires during the year. Special purpose cables business gained momentum with sales growing 1.7x over last year.

The Company's international business saw robust growth of ~50% to ₹13,835 million, contributing to 9.8% of the Company's total revenues as against 7.6% last year. The Company has received good amount of business from regions such as USA, Europe, Asia, Australia, Africa and Middle East. During the year, the company has expanded its global footprint to 70 countries. With tremendous increase in spends globally in sectors such as Renewables, Oil & Gas and Infrastructure, the Company is poised to grow its the international business further, strengthening its foothold in various international markets.

FMEG business revenue stood at ₹12,512 million in FY23, reflecting a marginal decline compared to ₹12,544 million in FY22. The segment was adversely impacted by distribution realignment undertaken during the year, as part of Project LEAP, to enable improved pace of future business growth, as well as due to challenging business environment on account of continued high inflation. FMEG business grew at CAGR of ~30 in last seven years and for the next phase of growth, the Company is strategically readjusting its business model. Following successful merger of HDC and LDC verticals, the Company has decided to merge the Fans vertical with Lights vertical and Retail wires vertical with Switches & Switchgear vertical. The Company saw significant overlap between the distribution channels of these verticals, which the Company can optimize by merging them, as well as generate higher business through cross-sell, availing larger share of the customer's wallet. The merger will also help in faster rolling out of GTM initiatives at a leaner cost base. With the distribution realignment completed, the Company is confident of improving top-line and bottom-line and is committed to achieving 10%-12% annualized EBITDA margin in this business by FY26. Revenue growth will be driven by distribution expansion, product innovation, a structured influencer management program, and investments in brand building, while Profitability will be boosted by a premiumization strategy, increased focus on product categories with better margins, strong backward integration, and economies of scale. As part of this initiative, the Company set up a new facility in Daman for switches, a strategic move towards a high-margin business segment. By having its own factory, the Company can exercise greater control over the production process and quality, enabling the launch of customer-centric products that cater to specific needs and preferences. Further, keeping in a view of future growth in fan business, the Company has set up new fan manufacturing plant in Halol, adding an annual capacity to produce 6 million fan units. With an increased annual production capacity, the Company can achieve greater economies of scale, leading to improved profitability.

In FY23, the Company witnessed comparatively lower, however volatile, input prices as most commodity prices retreated from their peaks as the post-pandemic led demand surge cooled down. Copper prices on London Metal Exchange (LME) witnessed a downfall from about $10,250/MT in April 2022 to $7,000/MT in July 2022, rising again to close the year at about $8,950/MT in March 2023. A similar trend was witnessed in aluminium prices, which declined from about $3,500/MT in April 2022 to about $2,100/MT in September 2022, rising back again to close the year at about $2,500/MT in March 2023. The price for PVC compounds was also volatile, tracking crude oil prices, correcting 41% by mid-year from the peak witnessed in April 2022, and regaining 11% since then by March 2023. Steel prices were range-bound but volatile during the year. The Indian rupee continued to depreciate during the year, balancing the negative impact of the declining commodity prices.

India's growth story is currently at a turning point, with the country uniquely positioned among large economies. One of its major strengths lies in its large and growing middle class, which serves as a significant consumer base, driving demand and economic growth. Additionally, India boasts a young working-age population, providing a demographic advantage that can contribute to sustained economic development and productivity. Furthermore, the government's continued focus on infrastructure, through an increase in budgetary allocation to an all-time high of ₹10 trillion at 3.3% of GDP, augurs well for the cables industry. This is a clear indication of the government's commitment to building world-class infrastructure and creating a conducive environment for businesses to thrive. With an allocation of ₹350 billion for priority capital investments towards net-zero transition and energy security, India is poised to harness the potential of renewable energy sources. The replacement of fossil fuels with renewable power is expected to generate substantial demand for wires and cables. These cables will play a crucial role in distributing electricity over longer distances from dispersed wind and solar farms to households and factories that consume it. This presents a significant opportunity for the wires and cables industry to contribute to India's transition to a sustainable energy future. Further, the residential sector, which has been in an upcycle, has also exhibited extremely potent signs for the wires and FMEG industry. Residential sales have hit a nine-year high in CY2022, and new project launches have exceeded sales for the first time since 2013. This is a clear indication of the growing demand for high-quality housing, which bodes well for the construction and allied industries.

On the whole, the Indian economy's future growth prospects look bright, with several positive indicators pointing towards sustained momentum. The country's strong economic fundamentals, coupled with the government's focus on infrastructure and pro-business policies, continue to attract investment and drive growth. As such, the outlook for the cables, wires, and FMEG industries remains positive, and there is every reason to be optimistic about the future.

Standalone:

On standalone basis, we have recorded a growth in turnover of 15% YoY from ₹120,979 million to ₹139,116 million in FY 23. The EBITDA is ₹18,111 million as against ₹12,400 million for the previous year. Standalone Profit after tax is ₹12,716 million as compared to ₹9,313 million of the preceding year.

2. Transfer to Reserves

The Company does not propose to transfer any amount to reserves.

3. Dividend

The Board of Directors at their meeting held on 12 May 2023, have recommended a Dividend @ ₹20/- (200%) per equity share of the face value of ₹10/- each for the financial year 31 March 2023 subject to approval of the members of the Company at the ensuing Annual General Meeting. The total cash out flow on account of payment of Dividend would be approximately ₹2,995.30 million. The members whose names appear as Beneficial Owners as at the end of the business hours on Wednesday, 21 June 2023 (Record date) will be eligible for receipt of dividend.

The dividend, if approved by the members will be paid on or before 30 days from the date of Annual General Meeting.

The Dividend recommendation is in accordance with the Dividend Distribution Policy ("Policy") of the Company. The policy is available on Company's website and accessible through weblink.

4. Change in Share Capital

Particulars	No. of Equity Shares	Face Value (₹)	Paid-up Share Capital (₹)
Paid up Capital of the Company as on 01 April 2022	149,443,040	10/-	1,494,430,400
Equity Shares allotted under ESOP during the year under review	322,238	10/-	3,222,380
Paid up Capital of the Company as on 31 March 2023	149,765,278	10/-	1,497,575,150

During the financial year 2022-23, there was no change in the authorised share capital of the Company.

5. Subsidiaries, Joint Ventures & Associates:

Subsidiaries

5.1. Details of Subsidiaries

As on 31 March 2023, the Company had 9 (Nine) Subsidiaries as detailed below:

Sr. No.	Name of the Subsidiary	Date of creation of interest	Nature of interest / percentage of shareholding	Location
(i)	Tirupati Reels Private Limited ('TRPL')	21 January 2015	Subsidiary (55%)	India
(ii)	Dowells Cable Accessories Private Limited ('Dowells')	01 December 2015	Subsidiary (60%)	India
(iii)	Silvan Innovations Labs Private Limited ('Silvan')	18 June 2021	WOS[2]	India
(iv)	Polycab Australia Pty Limited ('PAPL')	01 July 2020	WOS[2]	Australia
(v)	Polycab Support Force Private Limited ('PSFPL')	13 March 2021	WOS[2]	India
(vi)	Uniglobus Electricals and Electronics Private Limited ('Uniglobus')	24 March 2021	WOS[2]	India
(vii)	Polycab USA LLC ('PULLC')[1]	27 January 2020	WOS[2]	USA
(viii)	Polycab Electricals and Electronics Private Limited ('PEEPL')[1]	19 March 2020	WOS[2]	India
(ix)	Steel Matrix Private Limited ('Steel Matrix')[1]	11 November 2021	Subsidiary (75%)	India

Note: [1] Yet to commence business operations

[2] WOS - Wholly-owned Subsidiary

None of the subsidiaries mentioned above is a material subsidiary as per the threshold laid down under the Listing Regulations as amended from time to time.

5.2. Financial Performance of Subsidiaries

Pursuant to Section 129(3) of the Act, a statement containing salient features of the Financial Statements of each of the subsidiaries and Joint Venture Company in the prescribed Form AOC-1 is set out in **Annexure [A]** to this report. The financial statements of the subsidiaries are available for inspection by the members at the registered office of the Company pursuant to the provisions of Section 136 of the Act and also available on Company's website and accessible through weblink

The financial performance of the subsidiaries of the Company are detailed below:

(i) Tirupati Reels Private Limited ('TRPL')

TRPL was incorporated as a Private Limited Company on 21 January 2015 under the Companies Act, 2013, having its registered office in New Delhi, India. TRPL is engaged, inter-alia, in the business of manufacturing, exporting, importing, dealing and distributing the reels, drums, pallets, packaging material made of wood, steel or any articles and its by-products. TRPL supplies cables packing drums to PIL. The Company holds 55% equity shares in TRPL.

During the year under review, the financial performance of TRPL is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	1,387.10	1,015.49
b.	Profit before tax	108.35	87.32
c.	Profit after tax	83.73	62.27

(ii) Dowells Cable Accessories Pvt. Ltd ('Dowells')

Dowells was incorporated as a Private Limited Company on 01 December 2015 under the Companies Act, 2013, having its registered office in Maharashtra, India. Dowells is engaged, inter-alia, in the business of manufacturing, trading and exporting of cable terminals, connectors, cable glands, crimping system and accessories since 1961. The Company holds 60% equity shares in Dowells.

During the year under review, the financial performance of Dowells is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	1190.30	896.41
b.	Profit before tax	285.76	174.97
c.	Profit after tax	213.29	130.81

(iii) Silvan Innovation Labs Private Limited ('Silvan')

On 18 June 2021, the Company acquired 100% shareholding of Silvan at a consideration of ₹102 million with an objective to augment the Company's Internet of Things (IoT) based home automation and office automation solutions for expanding the potential addressable market in FMEG space in line with strategy to address evolving consumer needs through innovative solutions. The Company holds 100% equity shares in Silvan.

Silvan is a technology company focused on providing cutting edge automation offerings for homes, offices, banks, retail outlets, hotel and other spaces. Its portfolio includes IoT based automation products and solutions such as lighting management system, room automation, temperature control devices, contactless controls, curtain control, security devices amongst others. The Company was founded in 2008 in Karnataka, India and has business presence across many states in India.

During the year under review, the financial performance of Silvan is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	32.62	22.23
b.	Profit/(Loss) before tax	(26.76)	(80.81)
c.	Profit/(Loss) after tax	(26.76)	(80.81)

Amalgamation of Silvan Innovation Labs Private Limited ('Silvan')

The Scheme of Amalgamation between Polycab India Limited ('Polycab') and Silvan Innovation Labs Private Limited and their respective shareholders and creditors ('Scheme') under Sections 230 to 232 of the Companies Act, 2013 was approved by the Board of Directors of Polycab and Silvan respectively and necessary application/petitions for amalgamation were filed with jurisdictional National Company Law Tribunals (NCLTs).

The Company had filed a First Motion Petition with the National Company Law Tribunal, Ahmedabad ('Tribunal') along with relevant annexures through the online mode on 21 October 2022.

The hearing of the petition was held on 09 January 2023, the Tribunal on 08 February 2023 had dispensed all the meetings of Silvan (Transferor Company) and as directed by Tribunal, Polycab India Limited ('Transferee Company') had convened the meeting of Shareholders and Creditors on 17 March 2023.

The resolutions approving Scheme of Amalgamation of Silvan Innovation Labs Private Limited with Polycab India Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 had been passed with requisite majority.

The Company had also filed a Second Motion Petition with the Tribunal along with relevant annexures through the online and physical mode on 28 March 2023 which was admitted with the Tribunal on 25 April 2023 and the petition is fixed for hearing on 19 June 2023.

The Company expects the completion of Amalgamation in FY 2023-24.

(iv) Polycab Australia Pty. Limited ('PAPL')

Polycab Australia Pty. Ltd. was incorporated as a wholly-owned Subsidiary on 1 July 2020 having its registered office in Australia. PAPL is involved in a business of trading of electrical cables and wires, optical fibre cables and consumer electrical goods. The Company holds 100% equity shares in PAPL.

During the year under review, the financial performance of PAPL is as follows

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	618.93	749.39
b.	Profit before tax	16.30	28.27
c.	Profit after tax	11.35	19.47

(v) Polycab Support Force Private Limited ('PSFPL')

Polycab Support Force Private Limited was incorporated as a wholly-owned subsidiary on 13 March 2021 having its registered office in Gujarat, India. PSFPL is engaged in the business of staffing solution. The objective of incorporating PSFPL is to provide manpower support to the Company and other group companies. The Company holds 100% equity shares in PSFPL.

During the year under review, the financial performance of PSFPL is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	24.44	-
b.	Profit/(Loss) before tax	0.37	(1.70)
c.	Profit/(Loss) after tax	0.70	(1.70)

(vi) Uniglobus Electricals and Electronics Private Limited ('Uniglobus')

Uniglobus was incorporated as a wholly-owned Subsidiary on 24 March 2021 having its registered office in Gujarat, India. Uniglobus is engaged in the business of trading and manufacturing of, among others, cables, wires, fast moving electricals and electronics goods. The Company holds 100% equity shares in Uniglobus.

During the year under review, the financial performance of Uniglobus is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	695.36	0.25
b.	Profit/(Loss) before tax	(44.67)	(28.38)
c.	Profit/(Loss) after tax	(37.49)	(23.49)

(vii) Polycab USA LLC ('PULLC')

PULLC was incorporated on 27 January 2020, as a Limited Liability Company having its registered office in USA. PULLC was incorporated with an objective of manufacturing and trading of wires & cables and electricals consumer products. The Company holds 100% equity shares in PULLC.

During the year under review, the financial performance of PULLC is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	-	-
b.	Profit/(Loss) before tax	(0.16)	-
c.	Profit/(Loss) after tax	(0.16)	-

(viii) Polycab Electricals and Electronics Private Limited ('PEEPL')

PEEPL was incorporated as a Private Limited Company on 19 March 2020 under the Companies Act, 2013, having its registered office in Maharashtra, India. PEEPL was incorporated with an objective of manufacturing and trading of wires & cables and electricals and electronics consumer products. PEEPL is yet to commence its business operation. The Company holds 100% equity shares in PEEPL.

(ix) Steel Matrix Private Limited ('Steel Matrix')

Steel Matrix was incorporated as a Private Limited Company on 11 November 2021 under the Companies Act, 2013, having its registered office in Gujarat, India. Steel Matrix was incorporated with an objective of securing dependable supply of quality packing materials, improving control over the supply chain and increase the overall operating efficiencies. Steel Matrix will also help to strengthen the backward integration of the Company's manufacturing process. Steel Matrix is yet to commence its business operations. The Company holds 75% equity shares in Steel Matrix.

5.3 Financial Performance of Joint Venture

Techno Electromech Private Limited ('TEPL')

TEPL was incorporated as a private limited company on 25 January 2011 at Vadodara under the Companies Act, 1956 having its registered office in Gujarat, India. TEPL is involved in the business of, inter alia, manufacturing of light emitting diodes, lighting and luminaires, and LED driver. The Company hold 50% equity shares in TEPL.

During the year under review, the financial performance of TEPL is as follows:

(₹ in million)

Sr. No.	Particulars	31 March 2023	31 March 2022
a.	Income from operations	1,949.00	2,178.56
b.	Profit/(Loss) before tax	(255.53)	(71.03)
c.	Profit/(Loss) after tax	(274.60)	(51.73)

5.4 Associate

The Company does not have any Associate Company.

6. Directors and Key Managerial Personnel ('KMPs'):

6.1 Appointment of Executive Director

Appointment of Mr. Gandharv Tongia as Executive Director

On the recommendation of Nomination & Remuneration Committee, the Board at its meeting held on 19 January 2023 appointed Mr. Gandharv Tongia (DIN:09038711) as a Whole-Time Director for a period of 5 years commencing from 19 January 2023 to 18 January 2028 (both days inclusive) and further designated him as Executive Director & CFO of the Company, which was duly approved by the members of the Company through Postal Ballot on 01 March 2023.

6.2 Appointment of Independent Directors

a) Appointment of Mrs. Manju Agarwal as Independent Director

On the recommendation of Nomination & Remuneration Committee, the Board at its meeting held on 19 January 2023 appointed Mrs. Manju Agarwal (DIN:06921105) as Non-executive, Independent Director for a period of 3 years commencing from 19 January 2023 to 18 January 2026 (both days inclusive) which was duly approved by the members of the Company through Postal Ballot on 01 March 2023.

b) Appointment of Mr. Bhaskar Sharma as Independent Director

On the recommendation of the Nomination and Remuneration Committee, the Board had appointed Mr. Bhaskar Sharma (DIN:02871367) as an Additional Director and designated him as an Independent Director for a first term of 3 consecutive years commencing from 12 May 2023 to 11 May 2026 (both days inclusive), subject to approval of the members at the ensuing AGM.

The Company had also received a declaration from Mr. Bhaskar Sharma confirming that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder as well as Regulation 16 of the Listing Regulations.

In the opinion of the Board, Mr. Bhaskar Sharma is a person of integrity and has adequate experience and expertise to serve as an Independent Director. Further, Mr. Bhaskar Sharma is independent to the Management of the Company. The Board of Directors recommend his appointment as an Independent Director. Appropriate resolution seeking his appointment has been included in the 27th AGM Notice of the Company.

c) Re-appointment of Independent Directors for a second term

I. Mr. T. P. Ostwal

The Nomination and Remuneration Committee ('NRC') inter-alia, on the basis of performance evaluation of Mr. T. P. Ostwal (DIN:00821268) and taking into account the knowledge, experience and the substantial contribution made by him during his tenure had recommended to the Board that the continued association of Mr. T. P. Ostwal as an Independent Director would be beneficial to the Company.

Based on NRC recommendation and consent letter received from Mr. T. P. Ostwal, the Board recommends his re-appointment as an Independent Director for a further period of 5 consecutive years commencing from 20 September 2023 to 19 September 2028 (both days inclusive).

The Company had also received a declaration from Mr. T. P. Ostwal confirming that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder as well as Regulation 16 of Listing Regulations.

Further, Mr. T. P. Ostwal is independent to the management of the Company. The Board of Directors recommend his re-appointment as an Independent Director. Appropriate resolution along with explanatory statement seeking his re-appointment has been included in the 27th AGM Notice of the Company.

II. **Mr. R. S. Sharma**

The Nomination and Remuneration Committee ('NRC') inter-alia, on the basis of performance evaluation of Mr. R. S. Sharma (DIN:00013208) and taking into account the knowledge, experience and the substantial contribution made by him during his tenure had recommended to the Board that the continued association of Mr. R. S. Sharma as an Independent Director would be beneficial to the Company.

Based on NRC recommendation and consent letter received from Mr. R. S. Sharma wherein he expressed his willingness to be re-appointed as an Independent Director for a further period of 2 years, the Board recommends his re-appointment for a further period of 2 years commencing from 20 September 2023 to 19 September 2025 (both days inclusive).

The Company had also received a declaration from Mr. R. S. Sharma confirming that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder as well as Regulation 16 of Listing Regulations.

Further, Mr. R. S. Sharma is independent to the management of the Company. The Board of Directors recommend his re-appointment as an Independent Director. Appropriate resolution along with explanatory statement seeking his re-appointment has been included in the 27th AGM Notice of the Company.

6.3 Key Managerial Personnel (KMP)

The following are the Whole-time Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) Mr. Inder T. Jaisinghani –Chairman & Managing Director;

b) Mr. Gandharv Tongia – Executive Director & CFO; and

c) Ms. Manita Carmen A. Gonsalves – Company Secretary & Head Legal.

There has been no change in the KMPs during the year under review.

6.4 Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013 ('Act'), Mr. Bharat A. Jaisinghani (DIN:00742995), Executive Director of the Company will retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Appropriate resolution along with explanatory statement seeking his re-appointment has been included in the 27th AGM Notice of the Company.

6.5 Meetings of the Board of Directors

The Meetings of the Board and its Committees are held at regular intervals to review, discuss deliberate and decide on various business policies, strategies, governance, financial matters and other businesses. The schedule of the Board / Committee Meetings to be held in the forthcoming financial year is circulated to the Directors in advance to enable them to plan their schedule for ensuring attendance and effective participation in the meetings. During the year, 4 Board Meetings were convened and held, the details of which are given in the Report on Corporate Governance, which forms part of the Annual Report. The gap between two Board Meetings did not exceed 120 days as per Section 173 of the Act. The Directors had attended all the Meetings of the Board and its Committees held during the financial year 2022-23.

The composition of the Board and other details relating to the Meetings of the Board & its Committee(s) have been provided in the Corporate Governance Report.

6.6 Declaration by Independent Directors

The Independent Directors had submitted their disclosures to the Board that they fulfil the requirements as stipulated under Section 149(6) of the Act and Regulation 25(8) of Listing Regulations. There had been no change in the circumstances affecting their status as Independent Directors of the Company to qualify themselves to be appointed as Independent Directors under the provisions of the Act and the relevant regulations. The Independent Directors have given the declaration under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 confirming compliance with Rule 6(1) and (2) of the said Rules that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs ("IICA").

6.7 Familiarisation Programme

In compliance with the requirements of Listing Regulations, the Company has put in place a framework for Directors' Familiarisation Programme to familiarize the Independent Directors with their roles, rights and responsibilities, strategy planning, manufacturing process, subsidiaries business strategy, factory visit, CSR site visit, Amendments in law and Company's codes & policies.

The details of the familiarisation programme conducted during the financial year under review are explained in the Corporate Governance Report. The same is available on Company's website and accessible through weblink.

6.8 Separate Meeting of Independent Directors

In terms of requirements of Schedule IV of the Act, the Independent Directors of the Company met separately on 19 January 2023 inter alia to review the performance of Non-Independent Directors (including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of information between the Management and the Board.

Further, as a part of good governance, a separate discussion of the Independent Directors was held on 12 May 2023 with Statutory and Internal Auditors of the Company on scope, performance and effectiveness of audit process without the presence of Executive Directors and Management representatives of the Company.

6.9 Board Evaluation

Pursuant to the provisions of the Act and Listing Regulations the Board at its meeting held on 12 May 2023 had conducted annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The details of performance evaluation have been mentioned in the Corporate Governance Report.

6.10 Committees of the Board

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Act & Listing Regulations read with rules framed thereunder viz.

a) Audit Committee:

b) Nomination and Remuneration Committee;

c) Stakeholders' Relationship Committee;

d) Corporate Social Responsibility & ESG Committee; and

e) Risk Management Committee.

The Composition of all above Committees, number of meetings held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board.

Audit Committee

The Audit committee of the Board of Directors of the Company comprises of 5 (Five) members namely:

Sr. No.	Name of the Director	Category	Designation
i.	Mr. T. P. Ostwal	Independent Director	Chairman & Member
ii.	Mr. R. S. Sharma	Independent Director	Member
iii.	Mr. Pradeep Poddar	Independent Director	Member
iv.	Mr. Inder T. Jaisinghani	Managing Director (Non-Independent)	Member
v.	Mrs. Sutapa Banerjee[1]	Independent Director	Member

[1] W.e.f. 12 May 2023

The Committee comprises of majority of Independent Directors.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

6.11 Directors' Responsibility Statement ('DRS')

In addition to the certificate received under Regulation 17(8) of the Listing Regulations, the Director Responsibility Statement was also placed before the Audit Committee. The Audit Committee reviewed and confirmed the said DRS.

Thereafter the DRS was placed before the Board of Directors. Accordingly, the Board of Directors hereby state that:

a) in the preparation of the annual accounts for the financial year ended 31 March 2023, the applicable accounting standards had been followed and there were no material departures.

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March 2023 and of the profit of the Company for the year ended as on that date;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the Directors have prepared the annual accounts on a going concern basis.

e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Auditors and their Report

7.1 Statutory Auditors

B S R & Co. LLP, Chartered Accountants, (Firm Registration No: 101248W/W-100022), were appointed as the Statutory Auditors of the Company at the 23rd Annual General Meeting of the Company held on 26 June 2019, for a term of 5 consecutive years commencing from the conclusion of 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting to be held for financial year 2023-2024. Further, they have confirmed their eligibility under Section 141 of the Act and the Rules framed thereunder. As required under Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Auditors' Report on Standalone and Consolidated Financial Statements for the financial year 2022-23 issued by B S R & Co. LLP Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation, or adverse remark. Further, the Company has obtained a certificate on Corporate Governance from B S R & Co. LLP, Chartered Accountants, certifying the compliances with the conditions of Corporate Governance as stipulated under Listing Regulations.

7.2 Cost Auditors

The Board of Directors on the recommendation of the Audit Committee, appointed R. Nanabhoy & Co., Cost Accountants (Firm Registration No: 000010), as the Cost Auditors of the Company for the financial year 2023-24 under Section 148 of the Companies Act, 2013. R. Nanabhoy & Co, Cost Auditors have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditors are required to be placed before the members in a General Meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to R. Nanabhoy & Co; Cost Auditors forms part of the AGM Notice.

Further, during the year under review, V. J. Talati & Co. (Firm Registration No.: R/00213), Cost Accountants, were appointed as the Cost Auditors for conducting the Audit of the Cost Records maintained by the Company as prescribed under the Companies (Cost Record and Audit) Rules, 2014, as amended for the financial year 2022-23.

7.3 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Dilip Bharadiya & Associates were appointed as the Secretarial Auditors of the Company to conduct the Secretarial Audit for the year ended 31 March 2023.

The Secretarial Audit Report (MR-3) for the Financial Year ended 31 March 2023, is set out in **Annexure [B]** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Further, pursuant to the provisions of Section 204 of the Act, the Board of Directors on the recommendation of the Audit Committee had appointed BNP & Associates (Firm Registration No.: P2014MH037400), Company Secretaries, as Secretarial Auditors of the Company for issuing the Secretarial Audit Report for the financial year 2023-24.

8. Corporate Social Responsibility and Environment, Social and Governance Committee (CSR&ESGC)

The Company believes that CSR activities are not mere charity or donations, they reflect the manner in which the business is conducted by directly focusing on the needs of the Society at large. The Company as a socially responsible entity not limiting the usage of resources to engage in activities that increase only their profits, but rather it evolves appropriate business processes and strategies to reflect its Commitment to the Societal Enhancement. As expectations and requirements surrounding ESG continue to evolve, role of the CSR & ESG Committee ("Committee") is to advise on the adequacy of the Company's ESG Framework, ESG Management Systems, and Governance of ESG matters, along with the Company's performance thereunder.

The CSR Obligation for the financial year 2022-23 was ₹213.33 million and the Company had spent ₹224.79 million for carrying out the CSR projects. Further, during the year under review, the Company had spent ₹38.38 million on On-going CSR projects for FY 2020-21.

The Annual Report on CSR is set out in **Annexure [C]** to this report. The CSR Policy is available on Company's website and accessible through weblink.

9. Risk Management

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company' internal control encompasses various managements systems, structures of organization, standard and code of conduct which all put together help in managing the risks associated with the Company. With a view to ensure the internal controls systems are meeting the required standards, the same are reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also in turn reviewed at frequent intervals.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

The Risk Management Policy is available on Company's website and accessible through weblink.

10. Particulars of Loan Given, Investments made, Guarantee Given and Securities provided under Section 186 of the Act.

Particulars of the loans given, investments made or guarantees given covered under the provisions of Section 186 of the Act, are provided in the Note No. 35 (D) & (E) of the Standalone Financial Statements.

11. Particulars of Contracts or Arrangements with Related Parties

Your Company has formulated a policy on Related party transactions which is available on Company's website and accessible through weblink. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria to grant omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for related party transactions which are of repetitive nature. The related party transactions for the financial year are insignificant in Commensurate with the turnover of the Company.

Further, all transactions with related parties during the year were on arm's length basis and in the ordinary course of business. The details of the material related-party transactions entered into during the year as per the policy on RPTs approved by the Board have been reported in Form no. AOC-2 is set out in **Annexure [D]** to this report.

12. Annual Return

The Annual Return of the Company as on 31 March 2023, in form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 is available on Company's website and accessible through weblink.

13. Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure [E]** to this report.

In accordance with the provisions of Sections 197(12) & 136(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list pertaining to the names and other particulars of employees drawing remuneration in excess of the limits as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure [F]** to this report.

14. Company's Policy on Appointment and Remuneration of Directors

The Company has in place a Nomination and Remuneration Policy with respect to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The appointment of Directors on the Board is subject to the recommendation of the Nomination and Remuneration Committee (NRC). Based on the recommendation of the NRC, the remuneration of Executive Director is proposed in accordance with the provisions of the Act which comprises of basic salary, perquisites, allowances and commission for approval of the members. Further, based on the recommendation of the Board the remuneration of Non-Executive Directors comprising of sitting fees and commission in accordance with the provisions of Act is proposed for the approval of the members.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of this Annual Report. The Nomination and Remuneration Policy including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided u/s 178(3) of the Act is available on Company's website and accessible through weblink.

15. Employees Stock Option Schemes (ESOP)

The Company has following ESOP Schemes:

a) Polycab Employee Stock Option Performance Scheme 2018; and

b) Polycab Employee Stock Option Privilege Scheme 2018.

During financial year 2022-23, there had been no change in the Employee Stock Option Schemes of the Company. The ESOP Scheme(s) is in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('the SBEB Regulations').

Further, the Company has obtained a certificate from Dilip Bharadiya & Associates, Secretarial Auditors under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021 {'SBEB Regulations'} stating that the scheme(s) has been implemented in accordance with the SBEB Regulations. The disclosure under Regulation 14 of the SBEB Regulations is available on Company's website and accessible through weblink.

16. Credit Ratings

During the year under review, the credit ratings of the Company for bank facilities are as follows:

		CRISIL	India Rating
a.	Total Bank Facilities Rated	₹3,500 crore	₹3,500 crore
b.	Long Term Ratings	CRISIL AA+/ Stable (Reaffirmed)	IND AA+ Stable
c.	Short term Ratings	CRISIL A1+ (Reaffirmed)	IND A1+ (Affirmed)
d.	Date of rating	03 August 2022	06 September 2022

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

As stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is set out in **Annexure [G]** to this report.

18. Research and Development

During the year under review, the Research & Development activities carried out by the Company is set out in **Annexure [H]** to this report.

19. Details of Establishment of Vigil Mechanism for Directors and Employees

The Company is committed to highest standards of ethical, moral, compliance and legal conduct of its business. In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standard of responsibility, professionalism, honesty and integrity, the Company has Whistle-Blower Policy in compliance with the provisions of Section 177 (9) and (10) of the Act and Regulation 22 of the Listing Regulations, and encourages complaints / grievances to be registered at designated e-mail id: speakup@polycab.com.

The Audit Committee of the Company oversees vigil mechanism process of the Company pursuant to the provisions of the Act. The Chairman of the Audit Committee has direct access to the designated e-mail id: speakup@polycab.com for receiving the Complaints under Whistle-Blower Policy.

The Whistle-Blower Policy is available on the Company's website and accessible through weblink

20. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

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 (POSH Act). This policy applies to all employees full-time, part-time, trainees and those on contractual employment of the Company at their workplace and to the employees of its business associates ("associated parties") who visit workplace for official duties.

During the year, one complaint of sexual harassment was lodged with the Company and it was enquired by the Internal Committee and disposed as per the provisions of POSH Act. To build awareness in this area, the Company has been conducting induction/refresher programmes in the organisation on a continuous basis. During the year, the Company organised online training sessions on the topics of POSH for the employees.

21. Investor Education and Protection Fund

During the year under review, there is no amount which is required to be transferred to the Investors Education and Protection Fund as per the provisions of Section 125(2) of the Act.

However, pursuant to Section 124 (5) of the Act, the unpaid dividends that will be due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Type and year of dividend declared / paid	Date of declaration of dividend	% of dividend declared to face value	Unclaimed dividend amount as on 31 March 2023 (Amount in ₹)	Due for transfer to IEPF
Final Dividend 2018-19	26 June 2019	30%	143,691	01 August 2026
Interim Dividend 2019-20	03 March 2020	70%	698,285	09 April 2027
Dividend 2020-21	21 July 2021	100%	314,914	26 August 2028
Dividend 2021-22	29 June 2022	140%	404,424	04 August 2029

The details of the unclaimed/ unpaid dividend as required under the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") for all the unclaimed/ unpaid dividend accounts outstanding (drawn up to the Twenty Sixth Annual General Meeting held on 29 June 2022) have been uploaded on Company's website and accessible through weblink. The members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company's Registrar and Share Transfer Agent i.e. KFin Technologies Limited at einward.ris@kfintech.com.

22. Corporate Governance and Business Responsibility and Sustainability Report

A Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company confirming of corporate governance requirements as stipulated under Regulation 27 of Listing Regulations forms part of this Annual Report. Further, Independent assessment was carried out by KPMG Assurance and Consulting Services LLP.

Business Responsibility and Sustainability Report for the financial year under review, as stipulated under Regulation 34(2)(f) of Listing Regulations is presented in a separate section forming part of the Annual Report.

23. Environmental, Social and Governance (ESG)

As a responsible corporate citizen, the Company is acutely aware of its environmental and societal responsibilities. The Company firmly embraces the conviction that the integration and adherence to Environmental, Social, and Governance (ESG) principles within business operations are paramount in fostering resilience, nurturing an inclusive culture, and generating enduring value for all stakeholders. Sustainability lies at the core of business philosophy. The Company's sustainability strategy comprehensively addresses key ESG factors that exert significant influence over our business operations and stakeholders. The Company meticulously assess opportunities and risks, formulating both short-term and long-term strategies to ensure the sustainable growth of our organization. By embracing sustainable development – and going beyond minimum information disclosure requirements and regulatory compliance – we aim to deliver value to our employees, customers, suppliers, partners, shareholders and society as a whole. The Company has developed a robust ESG framework that will align the Company to the best global standards and serve as a guide for the implementation of sustainable business practices.

24. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34(2)(e) of Listing Regulations is presented in a separate section forming part of the Integrated Annual Report.

25. Material Changes and Commitments, if any, post Balance Sheet date

No material changes and commitments have occurred between end of the financial year of the Company to which the financial statements relate and the date of this report which may affect the financial position of the Company.

26. Adequacy of Internal Financial Controls

The policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

27. Secretarial Standards Issued by the Institute of Company Secretaries of India (ICSI)

The Directors state that applicable Secretarial Standard were followed during the financial year 2022-23.

28. General

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

a) details relating to deposits covered under Chapter V of the Act;

b) issue of equity shares with differential rights as to Dividend, voting or otherwise;

c) issue of shares (including sweat equity shares) to employees of the Company under any scheme, save and except Employee Stock Options Schemes referred to in this Report;

d) raising of funds through preferential allotment or qualified institutions placement;

e) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

f) pendency of any proceeding against the Company under the Insolvency and Bankruptcy Code, 2016;

g) instance of one-time settlement with any bank or financial institution;

h) fraud reported by Statutory Auditors; and

i) change of nature of business.

29. Cautionary Statement

Statements in the Annual Report, including those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

30. Acknowledgments

The Directors would like to place on record their sincere appreciation to its customers, vendors, dealers, suppliers, investors, business associates, bankers, Government Authorities for their continued support during the year.

The Directors truly appreciates the contribution made by employees at all levels for their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors of
Polycab India Limited

Inder T. Jaisinghani
Chairman & Managing Director
DIN:00309108

Place: Mumbai
Date: 12 May 2023

Annexure(A) to Board's Report

Form AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries/Associate companies/Joint ventures
Pursuant to first proviso to sub-section (3) of section 129 read with Companies (Accounts) Rules, 2014

(a) Summary financial information of Subsidiary Companies

(₹ in million)

Particulars	TRPL		Dowells		PEEPL		PAPL	
Reporting Currency	INR		INR		INR		INR	
Exchange Rate	NA	NA	NA	NA	NA	NA	NA	NA
Financial year	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Share Capital	60.00	60.00	90.00	90.00	1.00	1.00	11.66	11.66
Reserves & surplus	280.92	197.11	455.64	242.36	-0.04	-0.01	23.52	36.64
Total Assets	864.89	714.07	601.09	429.83	0.97	1.00	667.28	432.09
Total Liabilities	523.97	456.96	55.45	97.47	0.01	0.01	632.09	383.79
Investments	-	-	-	-	-	-	-	-
Turnover	1,387.10	1,015.49	1,190.30	896.41	-	-	618.93	749.39
Profit before tax	108.35	87.35	285.76	174.98	-0.03	-0.01	16.30	28.27
Provision for taxation	24.61	25.05	72.48	44.16	-	-	4.95	8.80
Profit after taxation	83.73	62.30	213.29	130.82	-0.03	-0.01	11.35	19.47
Proposed dividend	-	-	-	-	-	-	-	-
% of shareholding	55%	55%	60%	60%	100%	100%	100%	100%

(₹ in million)

Particulars	Uniglobus		Steel Matrix		PSFPL		Silvan		Polycab USA	
Reporting Currency	INR		INR		INR		INR		INR	
Exchange Rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Financial year	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Share Capital	90.00	90.00	1.00	1.00	2.60	2.60	10.20	10.20	-	-
Reserves & surplus	-61.16	-23.64	-0.04	-0.01	-1.00	-1.70	1.60	28.29	-0.16	-
Total Assets	714.03	99.16	0.97	1.00	15.59	1.69	79.21	108.26	90.44	-
Total Liabilities	685.19	32.80	0.01	0.01	13.99	0.79	67.42	69.78	90.60	-
Investments	-	-	-	-	-	-	-	-	-	-
Turnover	695.36	0.25	-	-	24.44	-	32.62	22.23	-	-
Profit before tax	-44.67	-28.38	-0.03	-0.01	0.37	-1.70	-26.76	-80.81	-0.16	-
Provision for taxation	-7.18	-4.87	-		-0.34		-	-	-	-
Profit after taxation	-37.49	-23.51	-0.03	-0.01	0.70	-1.70	-26.76	-80.81	-0.16	-
Proposed dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	75%	75%	100%	100%	100%	100%	100%	100%

Subsidiaries which are yet to commence operations:

Polycab Electricals & Electronics Private Limited (PEEPL)

Steel Matrix Private limited (Steel Matrix)

Polycab USA LLC (PULLC)

(b) Joint Ventures

Name of Joint Ventures		TEPL
Latest audited Balance Sheet Date		31 March 2023
Shares of Joint Ventures held by the company on the year end		
Number of shares	Number	4,040,000
Amount of Investment in Joint Ventures	₹ in million	105.20
Extend of Holding %	%	50%
Description of how there is significant influence		Through shareholding
Reason why the Joint Venture is not consolidated		Not applicable as the financials of this entity is consolidated in the Company's Consolidated Financials using Equity method
Networth attributable to Shareholding as per latest audited Balance Sheet	₹ in million	-81.07
Profit / Loss for the year*	₹ in million	-273.95
Considered in Consolidation	₹ in million	-92.63
Not Considered in Consolidation	₹ in million	-181.32

*Includes others comprehensive income

For and on behalf of the Board of Directors of
Polycab India Limited

Inder T. Jaisinghani
Chairman & Managing Director
DIN:00309108

Place: Mumbai
Date: 12 May 2023

Annexure (B) to Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
POLYCAB INDIA LIMITED

Corporate Office:
Polycab India Ltd.
#29, "The Ruby", 21st Floor,
Senapati Bapat Marg, Tulsi Pipe Road, Dadar West,
Mumbai – 400028

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Polycab India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31 March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I,** for the financial year ended on 31 March 2023, according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the Companies Amendment Act, 2017 as amended from time to time and the rules made thereunder; (to the extent applicable)

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder; (to the extent applicable)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (to the extent applicable)

iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, (to the extent applicable)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

   e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2021.

We have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company which are stated above very specifically.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the financial year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Board's Report

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- The Company has complied with the clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India. Adequate notice is given to all the Directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The decisions of the Board and Committee were unanimous and thus there were no dissenting views which needed to be recorded.

We further report that based on review of compliance mechanism established by the Company and on basis of the representations made by the Company and its Officers, presentation of the Internal and Statutory Auditors and Compliance Certificate(s) issued by the Company Secretary & other Senior Management Personnel and taken on record by the Board at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the Company.

We further report that, during the year under review, the Company has:

i. allotted 2,000 equity shares of ₹10/- each to the eligible employees of the Company, pursuant to the exercise of stock options granted to them under the Polycab Employee Stock Option Privilege Scheme.

ii. allotted 320,238 equity shares of ₹10/- each to the eligible employees of the Company, pursuant to the exercise of stock options granted to them under the Polycab Employee Stock Option Performance Scheme.

iii. considered and approved the Amalgamation of Silvan Innovation Labs Private Limited with the company subject to approval of Hon'ble National Company Law Tribunal (Tribunal). In connection with this Scheme of Amalgamation, the meeting of the Equity Shareholders, Unsecured Creditors and Secured Creditors was convened on 17 March 2023 as per the directions of the Tribunal, Ahmedabad Bench.

iv. w.e.f. 30 March 2023 shifted the place of keeping of books of accounts at place other than the registered office address and has complied with the provisions of the Act.

This report is to be read with our letter of even date, which is annexed as **Annexure - II** to this report.

For **Dilip Bharadiya & Associates**

Dilip Bharadiya
Proprietor
FCS No.: 7956, C P No.: 6740
UDIN: F007956E00297630

Place: London
Date: 12 May 2023

Annexure - I

Documents verified during the course of audit includes:

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the Financial Year ended 31 March 2022.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee held during the financial year under review, alongwith the Attendance Registers;
4. Proof of circulation & Delivery of notice for Board meetings and Committee Meetings.
5. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards
6. Minutes of General Body Meeting held during the financial year under review;
7. Statutory Registers viz.
   - Register of Directors & KMP & Directors Shareholding;
   - Register of loans, guarantees and security and acquisition made by the Company;
   - Register of Charges;
   - Register of Related Party Transaction- Transactions are in the Ordinary Course of Business at Arm's Length Basis;
   - Register of Members.
8. Agenda papers submitted to all the Directors/ Members for the Board and Committee Meetings;
9. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2), Section 149(3) and Section 149(7) of the Companies Act, 2013;
10. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956, if any and Companies Act, 2013, as amended alongwith the attachments thereof, during the financial year under review.
11. Policies formed by the Company.

Annexure - II

To,
The Members,
POLYCAB INDIA LIMITED

Our report of even date is to be read along with this letter,

1) Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3) We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6) The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Dilip Bharadiya & Associates**

Dilip Bharadiya
Proprietor
FCS No.: 7956, C P No.: 6740
UDIN: F007956E00297630

Place: London
Date: 12 May 2023

Annexure (C) To Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 134(3)(o) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company:

The CSR Policy lays down the guiding principles for undertaking various projects, programs or activities by or on behalf of the Company relating to CSR. The Company is committed to play a broader role in the communities in which it operates by supporting various social initiatives through funding and volunteering activities. The Company has developed this policy encompassing its philosophy for being a responsible Corporate House. The policy entails mechanisms for identification, need assessment, fund allocation, implementation of Projects and impact assessment are detailed in the CSR Policy.

Polycab, through its various CSR initiatives and programs continues to invest in addressing the most pressing needs of the community. The primary focus areas are Health Care, Environment, Education, Social Empowerment, Rural Development and National Heritage, Art & culture.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
a.	Inder T. Jaisinghani	Chairman & Managing Director – Chairman	2	2
b.	Bharat Jaisinghani	Executive Director – Member	2	2
c.	Nikhil Jaisinghani	Executive Director – Member	2	2
d.	Rakesh Talati	Executive Director – Member	2	2
e.	Sutapa Banerjee	Independent Director – Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.:

Composition of CSR Committee is available on Company's Website and is accessible through weblink

CSR Policy is accessible through weblink

CSR Projects is accessible through weblink

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable

5. a) Average net profit of the company as per sub-section (5) of section 135: ₹10,666.62 million

b) Two percent of average net profit of the company as per section 135(5) = ₹213.33 million

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

d) Amount required to be set off for the financial year, if any: NIL

e) Total CSR obligation for the financial year (7a+7b-7c).: ₹213.33 million

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): 219.99 million

b) Amount spent in Administrative Overheads: ₹4.80 million

c) Amount spent on Impact Assessment, if applicable: Not Applicable

d) Total amount spent for the Financial Year (a+b+c): ₹224.79 million

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (₹ in million)	Amount Unspent (₹ In million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
224.79	-	-	-	-	-

f) Excess amount for set off, if any :

Sl. No.	Particular	Amount (in ₹ In Million)
(i)	Two percent of average net profit of the company as per section 135(5)	213.33
(ii)	Total amount spent for the Financial Year	224.79
(iii)	Excess amount spent for the financial year [(ii)-(i)]	11.46
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.46

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – **Nil**

On behalf of the Board of Directors
of **Polycab India Limited**

Inder T. Jaisinghani
Chairman and Managing Director
(DIN: 00309108)
Chairman of CSR Committee

Place: Mumbai
Date: 12 May 2023

Board's Report

Annexure (D) to Board's Report

Form AOC-2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

a) Name(s) of the related party and nature of relationship	NA
b) Nature of contracts/arrangements/transaction	
c) Duration of the contracts/arrangements/transactions	
d) Salient terms of the contracts or arrangements or transactions including the value, if any	
e) Justification for entering into such contracts or arrangements or transactions	
f) Date(s) of approval by the Board	
g) Amount paid as advances, if any	
h) Date on which (a) the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

2. Details of material contracts or arrangements or transactions at arm's length:

(As defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and adopted by the Board of Directors in the Related Party Transaction Policy of the Company, "Material Related Party Transaction" in relation to the Company means a related party transaction which individually or taken together with previous transactions with a related party during a financial year, exceeds Rupees One Thousand Crore or ten per cent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower).

During the year under review, the Company has not entered into any material Contracts or arrangements, hence the below disclosure is not applicable.

a) Name(s) of the related party and nature of relationship	NIL
b) Nature of Contracts/arrangements/transactions	
c) Duration of the Contracts/arrangements/transactions	
d) Salient terms of the contracts or arrangements or transactions including the value, if any	
e) Date(s) of approval by the Board	
f) Date of shareholder's approval	
g) Amount paid as advances, if any	

All related party transactions are in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

On Behalf of the Board of Directors
of **Polycab India Limited**

Inder T. Jaisinghani
Chairman & Managing Director
DIN:00309108

Place: Mumbai
Date: 12 May 2023

Annexure (E) to Board's Report

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2022-23, the percentage increase in remuneration of Chief Financial Officer and other Executive Director(s) and Company Secretary during the financial year 2022-23.

S. No.	Name of Director(s) /KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees (MRE*)	% increase in remuneration
1	Mr. Inder T. Jaisinghani	Chairman and Managing Director	597.40	57.94%
2	Mr. Bharat A. Jaisinghani	Executive Director	57.89	7.78%
3	Mr. Nikhil R. Jaisinghani	Executive Director	57.89	7.78%
4	Mr. Rakesh Talati	Executive Director	68.86	22.03%
5	Mr. Gandharv Tongia	Executive Director and CFO	93.00	36.34%
6	Mr. T. P. Ostwal	Independent Director	9.95	-9.50%
7	Mr. R. S. Sharma	Independent Director	9.95	-5.73%
8	Mr. Pradeep Poddar	Independent Director	9.95	-9.50%
9	Mrs. Sutapa Banerjee	Independent Director	9.29	-3.98%
10	Mrs. Manju Agarwal	Independent Director	2.21	NA#
11	Ms. Manita Gonsalves	Company Secretary and Head Legal	11.84	8.41%

* MRE–Median Remuneration of employees

Mrs. Manju Agarwal joined the Company as an Independent Director on 19 January 2023, therefore remuneration is not comparable.

ii. The details given herein above are on accrual basis. Remuneration includes amortization of fair value of employee share based payments under IndAs 102. It excludes provision for gratuity and leave encashment recognised on the basis of actuarial valuation as separate figures are not available.

iii. Independent Directors remuneration includes commission payable to them for the financial year ended 31 March 2023. Sitting fees paid to Directors are as per statutory provisions.

iv The median remuneration of employees (MRE) excluding KMP's was ₹363,823/- and ₹317,483/- in fiscal 2023 and fiscal 2022 respectively. The increase in MRE excluding the KMP's in fiscal 2023 as compared to fiscal 2022 is 14.60%.

v The number of employees on the rolls of the Company as of 31 March 2023 and 31 March 2022, was 4,485 and 4,431 respectively.

vi The average percentile increase in salaries of employees was 9.71% as compared to an average percentile increase of 23.68% (excluding Commission of Chairman & Managing Director) of managerial remuneration. The increase in the managerial remuneration is in line with Nomination and Remuneration Policy, market trends and performance criteria as determined by the Board of Directors.

There had been no exceptional circumstances for increase in the managerial remuneration during the year.

vii It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

On Behalf of the Board of Directors
of **Polycab India Limited**

Inder T. Jaisinghani
Chairman & Managing Director
DIN:00309108

Place: Mumbai
Date: 12 May 2023

Annexure [F] to Board's Report

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(A) List of top 10 employees of the Company and the employees employed throughout the financial year 2022-23 and who were paid remuneration of not less than ₹1.02 crores per annum:

S. No.	Name of the Employee	Date of Joining	Gross Remuneration (Note-2)	Qualification	Nature of Employment - Contractual or otherwise	Experience (in years)	Age (in years)	Last Employment	Designation
1	Amit Mathur	14-02-2017	10,978,227	Postgraduate Diploma-Marketing	Permanent	34	55	Eaton Corporation	Vice President
2	Anil Errol Shipley	01-10-2018	19,611,110	PGDBM (Operations)/ B. Tech (Mechanical)	Permanent	37	62	Bajaj Electricals Ltd	Executive President – Strategic Projects, Electricals and Electronics
3	Anil Hariani	01-01-2012	11,659,723	Business Management	Permanent	20	56	-	Director (Commodities {Non-Board Member})
4	Anil Kumar	01-08-2012	12,308,321	M Tech (Industrial Engg)	Permanent	33	58	Central Cables	President
5	Anurag Agarwal	23-10-2015	19,640,471	Quality Operating Management	Permanent	23	49	Sterlite Tech Ltd	Executive President (Strategic Initiatives & New Businesses)
6	Ashish D Jain	03-02-2014	19,325,252	BE Computer	Permanent	26	54	Teracom Ltd Goa	Executive President & Chief Operating Officer (Telecom Vertical)
7	Bharat A. Jaisinghani	01-01-2012	21,063,428	MSC operations management	Contractual	10	39	-	Executive Director
8	Bhushan Sawhney	03-06-2010	22,000,517	Diploma In Export Management	Permanent	27	53	Havells India Ltd	Executive President & Chief Business Officer (LDC and HDC)
9	Deepak Himan	01-11-2021	11,008,969	M.sc (Tech), PGDM (Marketing)	Permanent	17	44	Tata Consumer Products	Vice President
10	Diwaker Bharadwaj	28-01-2013	10,696,424	BE - Printing & Packaging, PDCT - Professional Communication Management	Permanent	25	51	Syscom Corporation Limited	President (Packaging Development)
11	Gandharv Tongia	25-07-2018	35,401,401	Chartered Accountant	Contractual	16	41	SRBC & CO LLP	Executive Director and CFO
12	Himanshu Sharma	15-01-2021	18,598,372	B. Tech, PGDBM	Permanent	32	54	Omax Autos Limited	President and Strategic Manufacturing Officer
13	Inder T. Jaisinghani	20-12-1997	217,349,225	Higher Secondary Certificate	Contractual	54	70	-	Chairman & Managing Director
14	Kalpattu Ramamurthy Chandrasekar	22-02-2017	10,493,887	B. Tech Electrical	Permanent	39	63	Leoni Cable Solutions India Pvt Limited	President
15	Narender Singh	27-01-1900	21,027,083	Diploma Electrical Engineer	Permanent	27	50	Universal Cable	Vice President
16	Nilambar Mongal	10-12-2009	12,033,303	B.Sc Chemistry Honours, B.Tech and M.Tech In Polymer and Technology, P.hd in Engineering	Permanent	27	54	Nico Corporation	Associate Vice President
17	Nikhil R. Jaisinghani	01-01-2012	21,063,428	MBA	Contractual	10	38	-	Executive Director
18	Nilesh Malani	17-10-2020	17,277,702	PGDBA - Management & Marketing of Man - Made Textile & MBA in Marketing	Permanent	25	47	JSW Steel Limited	President
19	Rishikesh Rajurkar	08-01-2011	10,875,747	DIE - Institute of Polytechnic	Permanent	28	49	Finolex Cables Limited	President (Projects)
20	Rajesh Nair	10-05-2021	26,466,025	BE-Mechanical, MMS, PGCHRM	Permanent	29	55	Tata Motors	CHRO & Executive President
21	Rakesh Talati	25-08-2018	27,647,541	Diploma in Civil	Contractual	31	60	Consultant	Executive Director
22	Rashmikant V Mehta	01-11-2014	10,421,944	B.Sc. Chemistry	Permanent	48	71	Rainbow Plastic Industries	Vice President
23	Rohit Kumar	01-09-2014	12,742,006	Masters degree in Marketing	Permanent	30	56	Bajaj Electricals Ltd	President
24	Sandeep Bhargava	07-11-2011	17,836,920	BE	Permanent	29	54	Vedanta Aluminium Ltd	Executive President & Chief Procurement Officer
25	Sanjeev Chhabra	30-04-2012	21,707,764	PGDCE	Permanent	33	51	Sterlite Industries Ltd	Executive President & Chief Treasury Officer
26	Tapas Roychowdhury	02-09-2021	19,297,586	B.com, PGDM - Marketing	Permanent	27	52	Havells India Ltd.	President
27	Vipul Aggarwal	08-10-2021	20,338,630	B.E (Mechanical), Ex MBA	Permanent	20	44	Havells India Ltd.	Executive Vice President
28	Vivek Sharma	04-10-2021	34,249,979	Physics (Hons) - Fergusson College - MBA (Marketing)	Permanent	35	62	Panasonic Life Solutions India	Deputy Managing Director (Non-Board Member)

(B) Employees with part of the year with an average salary of ₹8.5 lakhs or above per month

S. No.	Name of the employee	Date of commencement of employment	Gross Remuneration (Note-2)	Qualification	Nature of Employment - Contractual or otherwise	Experience (in years)	Age (in years)	Last Employment	Designation
1	Narender Singh	27-01-1900	21,027,083	Diploma Electrical Engineer	Permanent	27	50	Universal Cable	Vice President
2	Ritesh Arora	01-09-2022	9,160,777	BE Mechanical	Permanent	27	49	CEAT Ltd	President - Chief Digital Officer
3	Rohit Dube	12-05-2022	11,174,864	PGDM	Permanent	24	46	Havells India Limited	Vice President
4	Vivek Khanna	16-01-2018	17,467,493	Information System Audit	Permanent	32	60	Havells India Ltd	Executive President & Chief Information Officer

Note

1. The above table contains details of employees in alphabetical order.
2. The details given herein above are on accrual basis. Remuneration includes amortization of fair value of employee share based payments under IndAs 102. It excludes provision for gratuity and leave encashment recognised on the basis of actuarial valuation as separate figures are not available.
3. None of the employees except Mr. Inder T. Jaisinghani Chairman and Managing Director, Mr. Bharat A. Jaisinghani and Mr. Nikhil R. Jaisinghani, Executive Directors hold 2% or more of the paid up equity share capital of the Company as per clause (iii) of sub- rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
4. Except, Mr. Inder Jaisinghani who is uncle of Mr. Bharat A. Jaisinghani, Mr. Nikhil R. Jaisinghani and Mr. Anil Hariani and Mr. Bharat A. Jaisinghani and Mr. Nikhil R. Jaisinghani being cousin brothers, none of the directors/employees are related to each others.

On Behalf of the Board of Directors
of **Polycab India Limited**

Place: Mumbai
Date: 12 May 2023

Inder T. Jaisinghani
Chairman & Managing Director
DIN:00309108

Annexure (G) to Board's Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A) Conservation of Energy:

(i) Steps taken or impact on Conservation of Energy;

The Company continues to focus on continual improvement for optimum utilization of resources, minimise consumption of energy, water and natural resources, reduce CO2 emission while maximizing production volumes in an eco-friendly manner.

The Company is committed to sustainable business practices by contributing to environment protection & considers energy conservation as one of the strong pillars of preserving natural resources. Our consciousness towards the environment inspire us not to over utilize the resources and exploit them. The manufacturing units of the Company are continuing their efforts to reduce energy consumption.

Various steps taken by the Company in this regard are given below:

1. 34.5 million KWH electricity has been consumed from renewable energy sources against 206 million KWH of total electricity consumption in FY23.

2. Renewable Energy Consumption in FY23 Stays Consistent with FY22 at 17 % of Total Electricity Consumed. This leads to 15571 tonnes CO2 emission reduction by Solar + Wind Captive and 11980 tonnes CO2 emission reduction by using bilateral renewable energy. So, total 27551 Tonnes CO2 emission reduction thereby lowering our carbon footprint in FY 2022-23.

3. We are using 100% LED lighting (at Halol location) and stop buying conventional lights (HPSV/HPMV, CFL etc.).

4. Polycab has installed Variable Frequency Drives (VFD) in Air compressors and pumps, resulting in additional energy savings of approximately 68 GJ and approximately 13.72 MTCO2e emissions avoided.

5. Installation of Energy Efficient Motors in new machines.

(ii) Additional investment made by the Company in FY 2022-23

1. The Polycab have taken separate express feeder of 66KV Supply for 2 manufacturing units to avoid nuisance tripping and to improve power quality from state electricity board at Halol.

Impact of the measures undertaken above for reduction of energy consumption and consequent impact on the cost of production of goods. There are continuous efforts towards improving the operational efficiencies, minimising consumption of energy and water. As a result, we have reduced energy consumption per ton over the period.

(iii) The steps taken by the Company for utilising alternate energy sources.

The Company had installed a Windmill with 8.1 MW capacity and a solar plant with 6.097 MW capacity. The energy generated by the windmills and solar plant are set off against energy consumed in manufacturing units. By this we are consuming 17% of the energy through renewable sources as against 10 % of usage of energy through renewable sources in financial year 2020-21.

(iv) The capital investment in energy conservation equipment is detailed below:

An amount of ₹85 million was invested on energy conservation equipment during financial year 2022-23.

B) Technology Absorption

We have always been at the forefront of leveraging technology to facilitate business growth. In FY23, we continued to invest in digital technologies, which have helped us improve operational efficiencies, aided better decision making and create immersive customer experiences. We are constantly working to upgrade the technology used in the production process and bring to the table customer-centric meaningful innovations. Efforts made towards technology absorption are:-

The Company, further with a view to ensure consistency of components have initiated:

1. The Company has set up a state of art plant to manufacture Aluminum and sheet metal components used in Ceiling fans as well as in other luminaries. It ensures consistent quality and uninterrupted supply of components to FMEG product manufacturing.

2. Two highly efficient tilting type AL melting furnaces each with melting capacity 500 Kg per hour are being used to melt metal. Molten metal is then transferred to holding furnaces near die casting machines with transfer ladle using forklift. Degassing unit is used to ensure molten metal is free from any residue or trapped gases.

3. Best in class 180 Ton and 250 Ton HPDC machines imported from TBC Taiwan are being used to manufacture Al castings. These castings are then trimmed using hydraulic presses imported from Taiwan. Buffing, machining, drilling, tapping & polishing machines are used to produce finished goods.

4. Sheet metal Covers, Blades and other components are being manufactured using automated Press Machines ranging from 10 Ton to 150 Ton. Automatic Coil feed is being used to optimize material handling and feeding to machine. Leftover sheets are being collected using collector on another end and smaller metal components are drawn from it thus reducing scrap. CNC machines, projection welding machines, lancers, belt grinders and polishers are used to ensure high quality of product.

C) Foreign Exchange Earnings and Outgo:

Sr. No.	Particulars	(₹ in million)
1.	Earnings in Foreign Exchange	8,381.64
2.	CIF Value of Import	34,261.99
3.	Expenditure in Foreign Currency	84.51

On behalf of the Board of Directors
of **Polycab India Limited**

Inder T. Jaisinghani
Chairman and Managing Director
DIN:00309108

Place :- Mumbai
Date :- 12 May 2023

Annexure (H) To Board's Report

Research & Development

in 2016, we launched a dedicated Polymer R&D centre, which, we can say with immense pride, is approved and certified by the Department of Science and Industrial Research (**DSIR**, Government of India). Our Research & Development vision has always been to ensure that everything we do adds value to all our stakeholders, especially the clients we serve and the community that we're a part of. And we are constantly developing innovative compounds and materials to provide superior performance while ensuring compliance with all local and international standards and striving to create new benchmarks in safety and sustainability. The R&D centre works in line with sales and market requirement to support with all aspects of the research process and offer expertise in design, performance and project management.

We have designed and implemented a stringent quality assurance system, which ensures that every step, right from the purchase of the basic raw materials to final output, is well planned, quality controlled, and checked. Ongoing random testing and mechanisms for receiving regular client feedback ensures that our products not just meet but exceed all expectations.

Some key qualification like,

1. Cables as per different UL standard to serve north American markets.
2. A wide range of cables for vehicle application for automotive markets.
3. Marine and Ship wiring cables as per Defence standard.
4. Thin wall cables for 3-phase electric railway locomotives.
5. Approval of Saudi Aramco on Cathodic protection cables.
6. Approval from European Organization for Nuclear Research (CERN) on control cables.
7. Construction Product Regulation (CPR) and Product Certification Requirement (PCR) from BASEC against different British Standards.

New Development Completed During 2022-23

1. Extremely high oil resistant and fire retardant flexible TPE sheath compound suitable to use up to -40°C generally confirming to BS EN 50525-2-51. This can be used as outer jacket of low voltage cable required by Kirloskar, Shakti, KSB, CRI, Lubi pump etc.
2. Polyolefin based Electron Beam Cross-Linkable Super Flexible halogen free flame-retardant insulation cum jacketing compound suitable for cables operating at 150°C for working voltage up to 1000V AC or 1500V DC intended to use in automotive application as per ISO 19642.
3. Electron beam cross-linkable heat resistant flame-retardant PVC insulation compound for building wire application for voltage up to 1100V suitable to use conductor temperature 105°C generally confirming to IS 694.
4. Electron beam cross-linkable EVA based Zero Halogen Flame Retardant heat resistant, flame-retardant insulation compound for building wire application for voltage up to 1100V suitable to use conductor temperature 105°C generally confirming to IS 17048.
5. Single core ATC (Class-5) conductor EPDM insulated and EVA sheathed Electron beam cross-linked Halogen Free Flame Retardant Super Flexible Crack Resistant and High Fire Resistant cables for working voltage up to 4 KV and suitable for operating temperature -40 to 120°C for railway application.

Future Projects

1. Fire Resistant HDPE based ST12 outer jacket compound for MV/HV cables as per IEC 60840.
2. Ethylene Propylene Rubber (EPR) based insulation compound for MV cables up to 36 KV application confirming to UL 1072.

On behalf of the Board of Directors
of **Polycab India Limited**

Inder T. Jaisinghani
Chairman and Managing Director
DIN:00309108

Place :- Mumbai
Date :- 12 May 2023

Corporate Governance Report

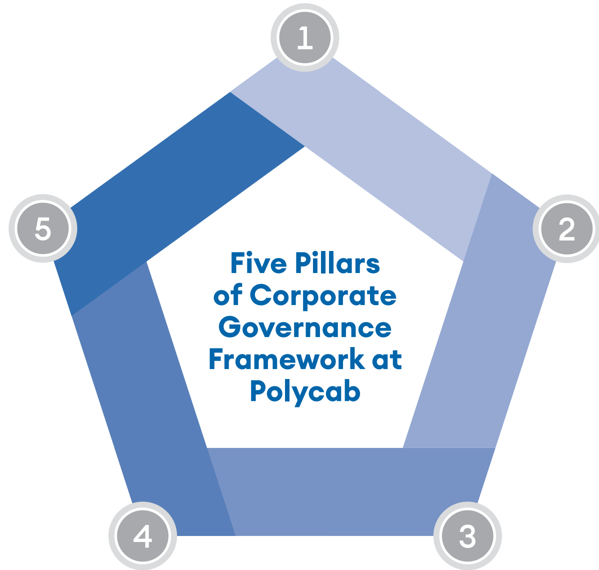
Pursuant to Regulation 34(3) read with Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended, a Report on Corporate Governance for the financial year ended 31 March 2023, is presented below:

1. Corporate Governance Framework at Polycab:

As the Company continues in its 'Leap' journey, there is a greater need for maintaining robust Governance standards to safeguard the integrity of the Company and provide transparency and accountability to stakeholders. Governance Framework at Polycab comprises of the Governance Philosophy, Directives, Structure, Systems and Evaluation that are intended to improve governance and prevent deviations.

PHILOSOPHY
Defines the principle and basis for achieving best in class Corporate Governance Practices

EVALUATION
Includes oversight mechanism for internal and external stakeholders to provide feedback, recommendations, grievance, and receive effective redressal



DIRECTIVES
Comprises of well-defined policies, codes and practices which helps in effective and efficient conduct of business

SYSTEMS
Comprises of Standard Operating Processes and practices aiding structured control, monitoring and reporting of compliances

STRUCTURE
Establishes a Multi-tier Governance Structure for effective implementation of policies, codes and practices

Below is the detailed description of Five Pillars of Corporate Governance Framework:

1.1 Philosophy

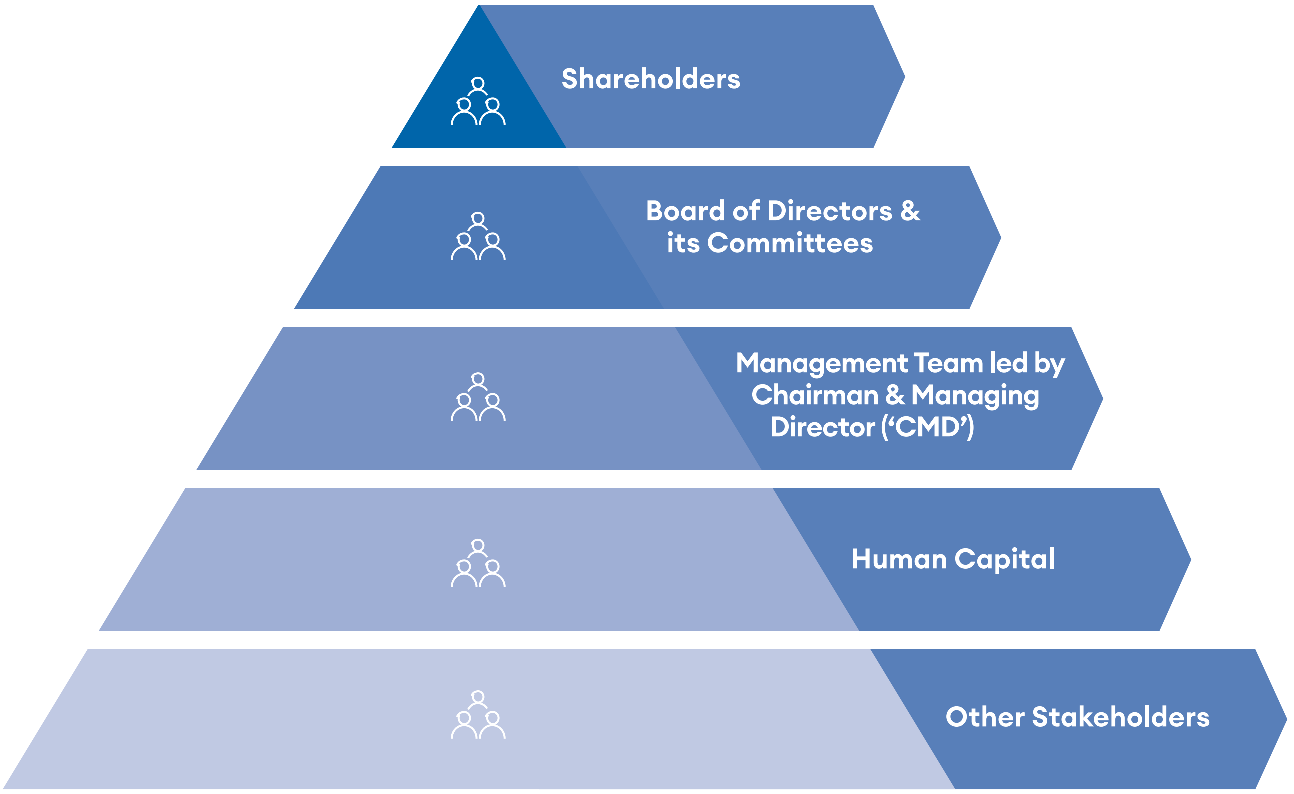
The Company's philosophy on Corporate Governance is creation of long-term stakeholder value through adoption of best-in class Corporate Governance Framework and adherence thereto in true letter and spirit always. The Company continually strives to enhance governance tools for supporting the framework which ensures accountability, transparency, and fairness in all transactions in the widest sense.

1.2 Directives

The Corporate Governance Directives comprises of well-defined principles, codes, policies, and good practices that enables the Company to perform its business efficiently whilst abiding by law and adopting environmental, social, and governance related aspects. The essence of the directives lies in achieving highest standards of integrity, transparency, accountability, sustainability and safety together with profitability. The Directives further document the roles, responsibilities and process for ensuring systematic, efficient and effective implementation of the Framework. The Directives are evaluated and revamped at regular intervals keeping in mind the amendments in laws and adoption of best in class governance practices.

1.3 Governance Structure

The Company continues to be governed through a multi-tier Governance Structure, one of the cornerstone pillars of the Framework, with the Shareholders at the apex of the pyramid followed by the Board and its Committees, Management Team led by Chairman & Managing Director and other Stakeholders who ensure governance through a well-defined Governance Directives embedded in the roles and responsibilities of each tier of the structure.



Below is the detailed description of Governance Structure:

Shareholders

The Shareholders of the Company, being at the apex, appoint the Board of Directors who are accountable for overall growth and governance of the Company in best interest of all the stakeholders. The shareholders exercise their control, communicate discretion, voice their opinion and provide guidance during interactive sessions with the Company through voting at the General Meetings, Postal Ballots and Post Earning Calls.

Board of Directors ("Board") & its Board Committee(s)

The Board is responsible for ensuring that the Company is managed in a well-balanced manner that fulfills stakeholders' aspirations, attains sustainable growth, and adopts best corporate governance practices. The Board is further supported by Board Committee(s) who diligently and effectively discharge duties assigned by the Board of Directors in their respective 'Terms of Reference' and recommend actions for the consideration of the Board. The Board evaluates and approves the governance directives, systems and processes and provides direction and goals to the Management Team to achieve good Corporate Governance.

Management Team led by Chairman & Managing Director ('CMD')

Management Team comprises of the Key Managerial Personnel (KMPs) & Senior Managerial Personnel (SMPs) of the Company which is led by Chairman and Managing Director ("CMD"). KMPs & SMPs, in their managerial role as Business / Function Heads of the Company, are responsible for effectively and efficiently managing day to day operations and achieving business objectives, whilst ensuring compliance with laws and adherence with the governance directives. KMPs and SMPs promulgate transparency in their business dealings and stakeholder management based on principles of sustainable sourcing, delivering safe and sustainable products, resource management and good governance. The Directors, KMPs and SMPs are governed by the Code of Conduct which emphasis compliance without deviations. In addition, as a part of the group governance process, KMPs and SMPs in their role as 'Nominee Directors' of the Company's group entities are responsible for ensuring compliance at a group level.

Human Capital

The Human Capital of the Company forms the foundation of the pyramid in the Corporate Governance Structure. The Human Capital represents the image of the Company. The Human Capital is instructed to ensure compliance with the Governance Directives and their commitment to promote good Governance in their dealings and interactions with all other stakeholders. The Company has a zero-tolerance policy on Polycab's Code of Conduct.

Other Stakeholders

With a view to ensure wholistic compliance with the Governance Framework in true letter and spirit, the Company encourages all its stakeholders including suppliers, service providers, vendors, traders, agents, consultants, contractors, dealers, distributors, business associates and joint venture partners to adopt good governances, sustainable business practices, and comply with the Polycab Code of Conduct / Supplier Code of Conduct which includes Supplier Selection and Management Process. The Stakeholders are further empowered with the redressal / grievance mechanism enumerated in the Whistle-Blower Policy.

1.4 Governance Systems

The Governance Directives are supported by well-defined systems, processes and practices aimed at identification, implementation and monitoring of statutory / regulatory compliances and good governance practices which includes risk management, detection of deviations, trainings to create awareness of the Governance Directives. The Governance System is designed keeping in mind law of the land, external environment, stakeholders' interests and concerns, evaluation of risks and business strategy.

The Governance System enumerates the Company's ability to:

- Identify statutory compliances and associated risk management;
- Develop, approve, implement and amend governance directives together with standard operating procedures and training modules;
- Assign roles and responsibility for focused implementation of directives, monitoring of compliances, detection of deviations, risk assessment and management, guidance on remedial measures / corrective actions;
- Conduct independent assurance, review, internal and external audit and oversight of governance systems;
- Undertake requisite and timely upgradation of the governance system.

The Governance practices are a set of tools used to support the governance system and structure which include, pre-approved meeting calendar, detailed explanatory notes and management proposals, training calendar, systematic dissemination of information,

Corporate Governance Report

disclosures on material information, audits, risk management consultation by renowned firms, utilisation of digital platforms / digitisation for compliance, key performance indicators for cent percent compliance, detailed minutes and action taken reports, escalation matrix, transparent rewards and recognitions, grievance and solution-oriented redressal, compliance mapping and certifications by each function all aimed at achieving excellence in corporate governance in the Company.

1.5 Evaluation

The overall Governance Framework is evaluated periodically. The evaluation process includes upgrading various elements of the Governance Directives and Systems including implementation of new policies and codes based on amendments in law and good industry practices. The tools for evaluation consist of self-assessment, assurance, health checks, revalidation, revaluation, audit, external consultation, recommendations, feedback, and grievance received from all the stakeholders. The evaluation includes oversight mechanism aimed at achieving excellence in Corporate Governance through best practices. Through various SOPs, training modules and knowledge sharing sessions, stakeholders are made aware of the impact of governance in the Company which are further embedded in their key performance indicators.

The evaluation includes grievance redressal which encourages two-way communication through recommendation and feedback received from all stakeholders in a systematic process.

The Governance Framework in its entirety as enumerated in the Philosophy, Directives, Structure, Systems and Evaluation creates a foundation for profitable and sustainable growth of the Company.

2. Board of Directors (“Board”)

2.1 Board Structure

The Board 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 the Company is an Executive Director and a Promoter. The Board has 11 (Eleven) Directors, out of which 5 (Five) are Executive Directors and 6 (Six) are Non-Executive Independent Directors [including 2 (Two) Women Directors] of the Company.

Percentage of total number of Directors based on Category and Board Diversity

Name of the Director	Category	No. of other Directorships held	No. of Membership / Chairpersonship in other Board Committees		Category of Directorship and name of the other Listed Companies as on 31 March 2023
			M[1]	C[1]	
Mr. Inder T. Jaisinghani	P, E, NI[2]	1	-	-	-
Mr. Bharat A. Jaisinghani	E, NI[2]	-	-	-	-
Mr. Nikhil R. Jaisinghani	E, NI[2]	-	-	-	-
Mr. Rakesh Talati	E, NI[2]	-	-	-	-
Mr. Gandharv Tongia[3]	E, NI[2]	-	-	-	-
Mr. T. P. Ostwal	NE, I[2]	5	4	2	Oberoi Realty Limited (NE, I[2])
Mr. R. S. Sharma	NE, I[2]	6	9	3	Jubilant Industries Limited (NE, I[2])
Mr. Pradeep Poddar	NE, I[2]	5	6	2	(a) Welspun India Limited (NE, I[2]) (b) Uflex Limited (NE, I[2]) (c) Tasty Bite Eatables Ltd. (NE, I[2])
Mrs. Sutapa Banerjee	NE, I[2]	7	7	2	(a) Godrej Properties Limited (NE, I[2]) (b) JSW Holdings Limited (NE, I[2]) (c) Camlin Fine Sciences Limited (NE, I[2]) (d) Zomato Limited (NE, I[2])
Mrs. Manju Agarwal[3]	NE, I[2]	8	9	5	(a) Gulf Oil Lubricants India Limited (NE, I[2]) (b) CMS Info Systems Limited (NE, I[2]) (c) Glenmark Life Sciences Limited (NE, I[2])
Mr. Bhaskar Sharma[4]	NE, I[2]	-	-	-	-

1. Legends: “M” – Member, “C” – Chairperson/Chairman
2. Legends: “P” – Promoter, “E” – Executive, “NI” – Non-Independent, “I” – Independent, “NE” – Non-Executive Director
3. Appointed w.e.f. 19 January 2023
4. Appointed w.e.f. 12 May 2023

Note: Number of other Directorship held does not include Directorships of private limited companies, foreign companies and companies registered under Section 8 of the Companies Act 2013 (Act). Further, in accordance with Regulation 26 of Listing Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all public Companies have been considered. The number of Committee Memberships / Chairmanships of all Directors are within the respective limits prescribed under Act and Listing Regulations.

All the Directors on the Board have been present for all the Board and Committee Meetings including the Annual General Meetings convened during the past three financial years, as applicable.

2.2. Brief Profile

The profiles of the Board of Directors are given below:

Mr. Inder T. Jaisinghani

Mr. Inder T. Jaisinghani, Chairman and Managing Director of the Company, has been working with the Company since its inception. He was appointed as a Chairman and Director of the Company on 20 December 1997 and was subsequently reappointed as Chairman and Managing Director with effect from 28 August 2019. He has played a vital role in different areas of Strategy Planning and Implementation, Business Leadership, sales & Marketing including Global Business, Corporate Governance, Ethics & ESG, Operational Experience and Financial Acumen & Risk Assessment and under his leadership and guidance the Company has completed over 26 glorious years of success.

Mr. Bharat A. Jaisinghani

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 from the University of Manchester. He has also completed his Executive Education Programme for Leadership Development from Harvard Business School and an Executive Programme from Singularity University. He has worked in different areas of sales, business segment leadership, consumer-centric innovation, marketing, IT and digitalisation, production and other support services and currently working on growth and strategic initiatives.

Mr. Nikhil R. Jaisinghani

Mr. Nikhil R. Jaisinghani joined the Company in 2012 and thereafter in 2021 was appointed as Executive Director. He holds a Master’s degree in Business Administration (MBA) from Kellogg School of Management, North western University, Illinois, USA. He has worked in different areas of sales, marketing, strategy planning, operations, IT and digitisation, production and other support services and currently leads power & special cable businesses along with working as change agent for the Company.

Mr. Rakesh Talati

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 and is also responsible for Administration, Industrial Relations (IR), Greenfield and Brownfield Projects at Country level for all the business segments, including aspects relating to CSR & ESG sustainability. He holds a Diploma in Civil Engineering and Interior Design Course from the Maharaja Sayajirao University of Baroda.

Mr. Gandharv Tongia

Mr. Gandharv Tongia, the Executive Director and Chief Financial Officer of Polycab India Limited, is associated with the Company since 2018. In his current role, he is responsible for all aspects of the Company's strategy, financial and information technology functions. He has played a pivotal role in getting the Company listed in 2019 and is instrumental in spearheading the Company in its ongoing transformational journey. He has taken number of strategic initiatives to prep up Polycab India, for its next big leap in the highly competitive and fast paced digital age; and this includes the flagship 'Project Leap'. Under his leadership, Polycab India has been recognised for 'Excellence in Financial Reporting: 20-21' in the Plaque category by The Institute of Chartered Accountants of India (ICAI). The Company's Annual Reports have won Asia's Best Integrated Report awards for 2021 and 2022 under several categories.

In recognition of his contribution, he has been conferred with various CFO excellence awards by industrial associations such as Assocham and FICCI and best CFO award by the Dalal Street Journal. Before joining Polycab, Mr. Tongia was associated with the Indian member firms of Big 4 Audit firms, namely, Ernst & Young and Deloitte Haskins and Sells; where he was responsible for providing assurance and consultancy services to large corporates, both in India and overseas. He is a fellow member of the Institute of Chartered Accountants of India (ICAI) and has also completed Professional Programme Examination held by the Institute of Company Secretaries of India.

Mr. T. P. Ostwal

Mr. T. P. Ostwal is a qualified Chartered Accountant from the Institute of Chartered Accountants of India since 1978. He is a Practicing Chartered Accountant and is a Senior Partner with T. P. Ostwal and Associates LLP. He is a partner at DTS & Associates, Chartered Accountants. He has served as a member of the advisory group for advising and establishing Transfer Pricing Regulations in India set up by the Central Board of Direct Taxes, Ministry of Finance, Government of India. He is a member of all sub-committee on Transfer Pricing for Developing Countries of United Nations. He is 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. He serves as an Independent Director on the Board of Oberoi Realty, Oberoi Constructions, Intas Pharmaceuticals, Mankind Pharma amongst others. He is also a regular speaker on international Tax in India and Abroad. He is also a life member of Institute of Independent Directors a statutory body created under law.

Mr. R. S. Sharma

Mr. R. S. Sharma joined the Company as an Independent Director with effect from 20 September 2018. He holds a Bachelor of Arts' degree from University of Delhi. He has passed the final certificate examination from the Institute of Cost and Works Accountants of India and the Associate examination from the Indian Institute of Bankers. Prior to joining the Board, he has served as Chairman and Managing Director at Oil and Natural Gas Corporation Limited, besides being on Board of various other companies.

Mr. Pradeep Poddar

Mr. Pradeep Poddar joined the Company as an Independent Director with effect from 20 September 2018. He is a Chemical Engineer from UDCT Mumbai, 1976 and an MBA from IIM, Ahmedabad, 1978. A veteran of the consumer goods industry, he groomed himself as a fast-track executive in Glaxo Foods, Heinz and Tata. He became the first Managing Director of Heinz for India and South Asia in January 1996 at the age 41 and successfully built a 'high growth profitable' business with a portfolio of Power Brands - Complan, Glucon D, Nycil, Farex and Heinz Tomato Ketchup. In 2000, he was ranked in the top 5 percentile of North American Executives by Personnel Decisions International, New York. He was awarded the prestigious Udyog Ratna award by the Karnataka Government and Wisitex Foundation in 2001 for his distinguished contribution to the food industry. He led the Tata Group's Global foray into healthy beverages across the world, representing the Tata on the Boards of NourishCo, the JV with PepsiCo and the Rising Beverage Company (Activate Beverages led by Michael Eisner) in Los Angeles (USA). He crafted the Himalayan Natural Mineral Water brand and had seven global patents on innovative 'do-good' beverages. He has played a strategic role on the Boards of Welspun, Uflex and as Chairman of United Way Mumbai. He has in the past led the American Chamber of Commerce Bombay Chapter and help further the Trade relations with the US. He had been appointed as Chairman of Sresta Natural Bio Products Limited with effect from 15 December 2021 and Chairman of the Board of Tasty Bite Eatables Private Limited with effect from 20 December 2022.

Mrs. Sutapa Banerjee

Mrs. Sutapa Banerjee joined the Company as an Independent Director with effect from 13 May 2021. Mrs. 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) and a boutique Indian Investment bank (Ambit) where she built and headed several businesses. Mrs. Banerjee is a gold medallist in Economics from the XLRI school of Management in India and an Economics major from Presidency College Kolkata. She is an Advanced Leadership Fellow (2015) at Harvard University and was a visiting faculty with IIM - Ahmedabad. She is also an adjunct faculty with Indian Institute of Corporate Affairs - the Government of India think tank under the Ministry of Corporate Affairs. She also serves as an Independent Director on the Board of Zomato, Godrej Properties, JSW Cement and others.

Mrs. Manju Agarwal

Mrs. Manju Agarwal has been a career banker with 34 years of experience in India's largest Bank, State Bank of India in leadership positions where she was responsible for Policy, Strategy, Business and Operations. Her core expertise and key achievements include Retail Banking, Financial Inclusion and Digital initiatives. She led SBI's partnership with Reliance Industries Limited to set up Jio Payment Bank Ltd. She had been the team lead which conceptualized and launched YONO, SBI's Digital Bank, Financial Superstore & Online market place (one of its kind in the Industry). She headed SBI's Debit Card Strategy, Merchant Acquiring business, Government business and Transaction Banking Business. She led SBI's Jan Dhan program during 2014 and was associated with setting up of SBI's Pension Fund Subsidiary in 2007. She is a Postgraduate from the University of Allahabad, 1978 and an Associate of the Indian Institute of Bankers, 1989. She is currently serving on the Board of various entities including Gulf Oil Lubricants India Ltd., Glenmark Life Sciences Ltd., CMS Info Systems Ltd., IndiaIdeas.Com Limited, Switch Mobility Automotive Ltd., Paytm Payments Bank Ltd. and Hinduja Leyland Finance Limited.

Mr. Bhaskar Sharma

Mr. Bhaskar Sharma is a business leader and marketing expert with a passion for accelerating business growth in companies, particularly in emerging markets across Asia Pacific, Africa, and Middle East. His depth of experience in the region includes general management expertise, holistic market development and building high performance teams. In his current role as Director and Chief Executive Officer of Red Bull India, he is building global brand and new category in India. He holds Masters degree in Management Studies and Masters of Science from Mumbai University.

Over past 14 years, Mr. Bhaskar has built a high caliber team, brought Red Bull's iconic global marketing mix to India and developed strong local marketing assets building key brand indices among Indian youth. He has led the complete set-up of the Red Bull's Sales and Distribution network. The journey also involved hands-on navigation through complex yet rewarding policy and regulatory environment of India, and creating an organization fully compliant with global standards, ready for accelerated ascent, resulting in profitable twenty-five-fold growth.

Mr. Bhaskar's previous roles as Vice President, Marketing Operations for Asia, Africa, Middle East, and Turkey with Unilever Asia, based in Singapore; as Managing Director Unilever Foods based in Taiwan and extensive years in Unilever in SE Asia and Far East, have given him a rich spectrum of interfaces, internally with global stakeholders in a matrix structure, and externally with Joint Venture partners and franchisees in various countries.

2.3 Disclosure of relationships between Directors inter-se

Except, Mr. Inder T. Jaisinghani who is paternal uncle of Mr. Bharat A. Jaisinghani and Mr. Nikhil R. Jaisinghani and Mr. Bharat A. Jaisinghani & Mr. Nikhil R. Jaisinghani being cousin brothers none of the Directors are related to each other.

2.4 Board Skill Matrix

The Board consists of eminent individuals having expertise and experience in various fields who understand and respect their roles and responsibilities towards stakeholders of the Company, including the duties and powers prescribed under the provisions of the Companies Act, 2013, and any other applicable laws, and strive to meet their expectations. The Board also confirms that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are independent of the management. The Board Mix provides a combination of professionalism, knowledge, skills, expertise, industry and business understanding and experience as required in the industry and further meets the criteria prescribed under the Board Diversity Policy adopted by the Board.

Corporate Governance Report

Strategy Planning & Implementation
Expertise in devising and implementing strategies for sustainable and profitable growth of the Company. Ability to assess the strength and devise strategies to gain competitive advantage. Good business instincts and acumen, set priorities and focus energy and resources towards achieving goals.

Business Leadership
Experience of leading Business of large organizations with deep understanding of complex business processes, regulatory and governance environment, and expertise on adaptation to Industry Standard.

Sales & Marketing including global business
Experience in driving business success in markets around the world with in depth understanding of diverse business environments, global economic conditions, cultures and a broad perspective on global market opportunities. Expertise in sales and marketing with understanding of brand equity to provide guidance in developing strategies for increasing sales and enhancing brand value customer satisfaction across the globe.

Corporate Governance, Ethics & ESG
Familiarisation with aspects and industry practices associated with compliance of law, sustainability workplace health and safety, asset integrity, good governance policies and practices, environment and social responsibility, and community development for management accountability, protecting shareholder interests, and observing appropriate governance practices.

Operational Experience
Effective management of business operations, ability to guide on complex business decisions, anticipate changes, setting priorities, aligning resources towards achieving goals and protecting and enhancing stakeholder value.

Financial Acumen & Risk Assessment
In depth understanding of financial data / statements, financial controls, proficiency in financial management and reporting process, expertise in dealing with complex financial transactions. Experience in identifying and evaluating the significant risk exposures to the business strategy of the Company.

Information Technology & Digitalisation
Significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models and digital transformation.

Consumer insights & Innovation
Ability to get to the crux of the issue of consumers, experience in understanding trends of consumer preference, taking actions towards the better consumer experience and customer-centric innovation.

The skills of the Board Members as on the date of this report are mapped below:

Name of the Directors	Strategy Planning & Implementation	Business Leadership	Sales & Marketing including Global Business	Corporate Governance, Ethics & ESG	Operational Experience	Financial Acumen & Risk Assessment	Information Technology & Digitalisation	Consumer insights & Innovation
Mr. Inder T. Jaisinghani	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
Mr. Bharat A. Jaisinghani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nikhil R. Jaisinghani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Rakesh Talati	-	Yes	-	Yes	Yes	-	-	-
Mr. Gandharv Tongia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-
Mr. T. P. Ostwal	Yes	Yes	-	Yes	Yes	Yes	-	Yes
Mr. R. S. Sharma	Yes	Yes	Yes	Yes	Yes	Yes	-	-
Mr. Pradeep Poddar	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
Mrs. Sutapa Banerjee	Yes	Yes	Yes	Yes	-	Yes	-	Yes
Mrs. Manju Agarwal	Yes	Yes	-	Yes	-	Yes	Yes	-
Mr. Bhaskar Sharma	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes

2.5 Criteria and selection process for Board Membership

The Company believes that a diverse Board will provide versatility in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, and gender, which will ensure that the Company retains its competitive advantage. The Company further believes that a diverse Board will contribute towards driving business results, adoption of best Corporate Governance practices, responsible decision-making capability, ensure sustainable development, and enhance the reputation of the Company. The Nomination and Remuneration Committee ("NRC") is responsible for evaluating a suitable candidate for the Board, based on the criteria laid down in the Nomination & Remuneration Policy and Board Diversity Policy, available on the website of the Company and can be accessed through 1) weblink 2) weblink respectively.

While selecting a candidate, the NRC evaluates skills, knowledge, integrity and experience of the candidate vis-à-vis existing acumen of the Board with the expected expertise based on the requirement. On identifying a suitable candidate, NRC based on set criteria and evaluation process recommends his/her appointment to the Board for their approval and for further recommendation to the shareholders for their approval.

While considering reappointment of existing Directors, in addition to the foregoing, the NRC considers the outcome of performance evaluation, attendance at Board and Committee Meetings, skill, expertise, experience, ability to challenge views of others in a constructive manner, familiarisation with the business, industry knowledge and global trends, valuable contribution made by the Director, engagements with large organisations, , preparedness and participation at the Board / Committee Meetings, support independent views, guidance and solutions provided to the Board and the Management during deliberations and decision making for attaining the business and governance objectives of the Company, present and required future acumen of the Board based on the goals and aspirations of the Company.

2.6 Role of Board of Directors

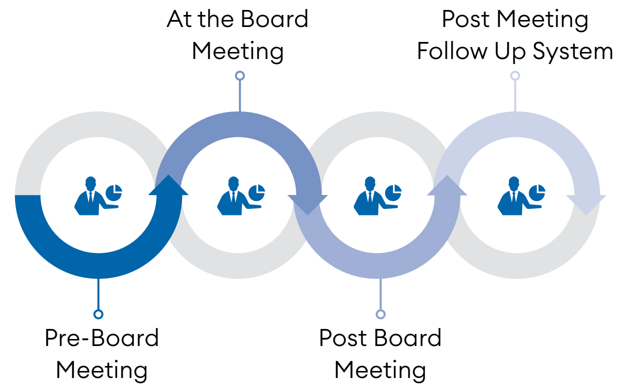
The Board is responsible for providing strategic supervision, expert advise and direction to the Management of the Company on behalf of all the stakeholders. Driven by the principles of Corporate Governance Philosophy, the Board works in the best interests of the Company and its stakeholders. The Board Members, based on their skills, expertise and knowledge, share their experiences and exercise judgement during deliberations at the Meetings of the Board and point the Company's Management towards the 'right' direction. The Board members keep themselves well informed about the internal affairs and external environment in which the Company operates and deliver independent solution driven guidance. With a view to empower the Independent Directors to take informed decisions and deliver discretionary views, they are provided access to information and freedom to approach any level of the Governance Structure including the employees of the company and its subsidiaries.

2.7 Board Meetings Procedure

The Board meets at regular intervals to discuss, evaluate, review, and decide on various matters relating to economic, sustainable, strategical, and overall growth of the Company apart from the routine Board discussions. The Board/Committee Meetings are pre-scheduled in consultation with all the Board Members and the annual Board Calendar for each financial year is circulated, approved, and confirmed at the beginning of each calendar year to facilitate and ensure meaningful participation in the meetings. The Board/Committee Meetings are generally held at the Corporate Office of the Company at Mumbai.

The Board gives careful and independent consideration to the affairs of the Company. All the required documents are placed before them so that they can satisfy themselves with the appropriateness of key decisions taken by the Management. The Board calls for additional information, where necessary, for making such judgements. They seek appropriate clarification of information and where necessary, seeks and follows professional advice and opinion of external renowned experts / consultants.

The detailed Board Meeting Procedure is explained below:



Pre-Board Meeting

(a) Agenda of the Board/Committee Meetings is prepared by the Company Secretary in consultation with the Chairman & Managing Director, Executive Directors and CFO and Chairman of the respective Committee(s) and recommendations provided by the Management/Board/Committees are also taken into consideration.

(b) Agenda of the Board/Committee Meetings together with detailed notes proposals, draft resolutions, extract of laws and presentations are uploaded on a digital meeting application at least a week prior to the date of the Meeting to provide enough time to Members to review the agenda notes and prepare for the Meeting. The notification of uploaded agenda is sent through SMS and e-mail to the Directors. The Board Members seek clarification / additional information and provide inputs as may be desired for effective deliberations at the Meetings.

(c) Based on the past experiences and as per terms of reference, the Management includes presentations, business reviews, expert opinions, assurance reports, reviews, due diligence reports and confirmation from renowned experts which forms part of the notes to agenda. Further, the Company Secretary ensures that duly executed Management proposals enumerating intent, background, views/scope/term, and approval of the Management team are included as Agenda Notes well in advance to draw sufficient attention of the Board, facilitate concise review and ensure adequate deliberations and facilitate independent assessment in the interest of the Company.

At the Board Meeting

(a) Requisite facilities are provided for obtaining cent percent attendance. Further necessary information is provided for open discussions, and informed unanimous decisions at the Meetings.

(b) Management representatives, SMPs, domain experts, Nominee Directors of subsidiary companies, external consultants, assurers, internal and external stakeholders, professionals amongst others who can provide additional information, address queries and provide insights into the agenda items being deliberated upon are invited at the Meeting to facilitate unanimous consent.

(c) Matters in the nature of Unpublished Price Sensitive Information are circulated to the Board and Committee members, at a shorter notice, as per the general consent taken from the Board, from time to time. Sufficient time is allocated to each agenda item to ensure effective and efficient deliberations and constructive and active participation.

Post Board Meeting

(a) The draft minutes of Board/Committee Meetings are shared with the respective Chairman for review and thereafter circulated to all Directors/Members for their comments within 15 days of conclusion of the meeting.

(b) The Company Secretary, after incorporating comments, if any, received from the Directors/ Members, records the minutes of each Board/ Committee meeting within 30 days from conclusion of the meeting. The Board decisions are disseminated to the concerned departments promptly for their noting and action. The Company Secretary drafts the minutes in consultation with the Chairman of the Meeting and ensures that the Minutes give a true and fair summary of the discussions and decisions at the Meetings. Concerns, if any, are addressed by the Board and to the extent that they are not resolved, their dissent is recorded in the minutes of the meetings of Board.

Post-Meeting Follow-Up System

The important decisions taken and resolutions approved at the Board and Committee Meetings are disseminated for necessary action and are tracked till their closure. An 'Action Taken Report' is prepared and placed before each Board and Committee meeting at its subsequent meeting for noting.

2.8 Board Information and Routine Board matters

Amongst others, matters relating to strategy, economy, operations, finance, sustainability, and governance are placed before the Board, which include:

- Review of business performance, overall business strategy, annual operating plans, risk assessment, capital budget, foreign exchange exposures and financial statements and results of the Company;
- Mergers, acquisition, divestment, strategic projects, capital expenditures, expansions;
- Appointment, remuneration, performance evaluation of Directors, Key Managerial Personnel and Senior Managerial Personnel together with the disclosures and declaration;
- Governance and Sustainability Framework including adoption of policies, systems, processes, criteria, procedures, codes;
- Reporting on compliance with regulatory, statutory and listing requirements and governance aspects;
- Shareholder and Stakeholder service;
- Overseeing Corporate Social Responsibility, Environment Social & Governance, Sustainability initiatives, Related Party Transactions, Stakeholder Relations. Prevention of Sexual Harassment at Workplace and Risk Management framework of the Company and updates thereon;
- Appointment, remuneration and reports of Statutory Auditors, Cost Auditors, Internal Auditors, Secretarial Auditors and other advisors / assurers;
- Agenda, Minutes and Action Taken Report of Meetings of the Board, its Committees and subsidiary companies of the Company;
- Financials, updates and significant transactions or arrangements by subsidiary companies, including oversight of subsidiaries' operations and governance; and
- Declaration of Dividend, if any.

2.9 Number of Board Meetings held during the financial year ended as on 31 March 2023

During the year under review, 4 (Four) meetings of the Board of Directors were held on:

i. 10 May 2022
ii. 19 July 2022
iii. 18 October 2022
iv. 19 January 2023

All Directors were present throughout the Board Meeting(s) and at the 26th AGM. All recommendations made by the Committees of the Board were duly accepted by the Board. The maximum interval between any two meetings held during the year did not exceed 120 days. During the year, there were no resolutions that were passed by circulation or taken up at the Meeting of the Board with the permission of the Chair. Further, no Board / Committee Meetings were conducted at a shorter notice.

All decisions of the Board & its Committees were passed with unanimous consent and therefore no dissenting views were captured and recorded as part of the minutes.

2.10 Board confirmation on Independent Directors

The Board took note of confirmations received from the Independent Directors confirming that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board of Directors, based on the confirmations and independent assessment to the best of their knowledge confirm that they meet the criteria of independence and that they are independent of the management. None of the Independent Directors serve as Independent Director in more than seven listed entities. Each of the Independent Directors have registered their names on the online databank maintained by the Indian Institute of Corporate Affairs.

At the time of appointment / re-appointment, each Independent Director is issued a formal letter of appointment containing amongst others, terms and conditions of appointment, roles and duties, evaluation process, applicability of Code of Conduct of the Company and Code of Conduct on Prevention of Insider Trading.

The terms and conditions for appointment of Independent Directors is available on the website of the Company and can be accessed through weblink

Except Mr. Pradeep Poddar, Non-Executive Independent Director who was appointed as Chairman of the Board in one of the Listed Companies, none of the Directors serve as Chairman in any other Company.

2.11 Retirement / Resignation of Independent Directors

During the year, there was no retirement/resignation of Independent Directors.

2.12 Familiarisation Programme for Independent Directors

The Company has conducted various familiarisation programs for Independent Directors to familiarize them about the Company and their role, rights, and responsibilities in the Company. The details of Familiarisation Programme imparted during the financial year 2022-23 is available on the website of the Company and can be accessed through weblink.

As part of the ongoing familiarisation, various business / functional heads, domain experts, external consultants amongst others make presentations at the Board Meetings on business, strategy, amendments in law, codes and policies, subsidiary(ies), human resource aspects, legal updates, subsidiary business review, new product / business development and compliances. The Business / Function Heads who are Nominee Director(s) of the subsidiary present the financial and overall business performance of their respective subsidiaries together with their compliance reports. The Board members are kept updated regarding important regulatory amendments and their applicability / impact on the Company by the presentations at the Board Meeting. The Directors are provided regular updates on press releases made to the stock exchanges, analyst reports, key achievements, and material information on subsidiary companies. The Company further facilitates imparting trainings through third party outbound programs.

2.13 Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company was held on 19 January 2023, without the presence of Non-Independent Directors and the management, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

The Minutes of the Meeting of the Independent Directors were shared with the CMD and the CMD apprised the Board on the satisfaction of the Independent Directors on the overall performance and functioning of the Company.

2.14 Board Evaluation

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors and Committees of the Board. The criteria are in the form of questionnaire for annual evaluation on functioning and effectiveness of the Board, Committees and Individual Directors. The Executive Directors, SMPs and Employees are evaluated based on the overall performance of the Company, their respective goals, Business Unit / Functional goals and achievement of strategic goals under Project Leap together with sustainability targets under the Environment Social and Governance (ESG) framework.

2.14.1 Criteria for Performance Evaluation:

The Board carries out Annual Performance Evaluation of:

- its own performance;
- its Committee(s); and
- individual Directors.

Individual Directors carry out Annual Performance Evaluation of:

- Executive Directors;
- Independent Directors;
- Board as a whole.

Independent Directors, in addition to the above, carry out annual performance evaluation of Chairman of the Board taking into account the views of the Executive and Non-Executive Directors

The criteria for performance evaluation includes the following:

Board of Directors: Structure, Composition, Board Meeting Schedule, Agenda, Governance, progress towards strategic goals and assessment of operational performance and overall effectiveness of the Board.

Board Committee(s): Composition, terms of reference compliance, role and responsibilities, information flow, effectiveness of the meetings and feedback to the management.

Individual Directors: Attendance, deliberations, preparedness for discussion, quality of contribution, engagement with fellow Board members, KMPs and senior management, knowledge sharing and approachability and responsiveness to the need of Company, effective participation of all Board members in the decision-making process.

Chairman: Effective leadership, moderatorship and conduct of impartial discussions, seeking participation from Board members and promoting a positive image of the Company.

Independent Directors: Independence from the Management, exercising independent judgement in decision-making and fulfillment of independence criteria under applicable law.

2.14.2 Process of Performance Evaluation

As per Company's Policy on Evaluation of Performance of Board of Directors, Committees or Individual Directors, the Company Secretary and Compliance Officer had circulated the questionnaire duly approved by the Nomination and Remuneration Committee, to all the Directors of the Company for carrying out the evaluation of performance of Board, its Committees and Individual Directors for the financial year 2022-23. All the Directors had provided their feedback about the performance evaluation of the Board, its Committees and Individual Directors for the financial year 2022-23.

2.14.3 Outcome of Performance Evaluation

Based on feedback received on the questionnaires, the Chairman had briefed the Board of Directors at the Board Meeting held on 12 May 2023, and the Board discussed the evaluation report and various suggestions received in the Board evaluation process and agreed on the necessary action.

The Board took note of the observations of its Members regarding the effectiveness of the documents, attendance, participation during discussions, deliberations, preparedness for discussion, quality of contribution and guidance, engagement with fellow Board members, KMPs and SMPs, knowledge sharing and approachability and responsiveness to the need of Company, effective participation of all Board members in the decision-making process and expressed their satisfaction with the Board's effectiveness. The Board Members acknowledged that the Board and Committees had spent sufficient time on (i) review of financial and operational performance related matters, (ii) future strategies and short term & long-term growth plans and (iii) compliances, Governance and controls.

The observation of Board evaluations of the previous financial year was communicated to the Board and the respective Members of the Board and action were taken / proposed which were implemented during the current year.

The Board Members during the performance evaluation for current year included accolade on aspects relating to vision of the Company, transparency and quality of information provided to the Board, detailed presentation on strategic projects and open discussions.

The recommendations by the Board Members included reconstitution of the Board committees, separate business strategy meeting and increase in number of Risk Management Committee Meetings.

2.15 Remuneration to Directors

2.15.1. Remuneration to Independent Non-Executive Directors

Criteria for Remuneration to Non-Executive Directors

The Non-Executive Directors of the Company are paid remuneration by way of sitting fees and commission. The Non-Executive Directors are entitled to receive sitting fees of ₹100,000/- (Rupees One Lakh only) per Board Meeting and ₹80,000/- (Rupees Eighty Thousand only) per Committee Meeting including Independent Directors' Meeting. Commission to Independent Directors is paid as recommended by the Board of Directors and approved by the Members. The travel expenses for attending Meetings of the Board of Directors or a Committee thereof, for site visits and other related expenses incurred by the Independent Directors from time to time are borne by the Company. The criteria of making payment to Non-Executive Directors is available on the website of the Company and can be accessed through weblink.

In accordance with the provisions of Section 197 of the Companies Act 2013 and Regulation 17(6) (a) of the Listing Regulations, the Members of the Company, at the 26th Annual General Meeting held on 29 June 2022, had, given the increasing size and complexity of the Company and considering a corresponding increase in time devoted, level of expertise, market trend, performance and contribution, approved payment of commission not exceeding ₹2,500,000/- (Rupees Twenty Five Lakhs) per annum individually to each Independent Director effective from financial year 2021-22 onwards. The Commission payable to the Independent Directors shall be in accordance with the Nomination and Remuneration Policy and is within the limit of 1% of the net profit of the Company computed in accordance with Section 198 of the Companies Act 2013.

Details of Remuneration paid / payable to the Non-Executive Directors for the financial year 2022-23

The remuneration paid / payable to Non-Executive Directors for the financial year 2022-23 is in accordance with the approval of the Board and Members and is subject to the limits prescribed under the Act and Nomination and Remuneration Policy of the Company.

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(₹ in million)

Name of Non-Executive Director	Sitting Fees		Commission Payable	Total
	Board @ ₹100,000 per meeting	Committees @₹80,000 per meeting		
Mr. T. P. Ostwal	0.40	0.80	2.50	3.70
Mr. R. S. Sharma	0.40	0.64	2.50	3.54
Mr. Pradeep Poddar	0.40	0.72	2.50	3.62
Mrs. Sutapa Banerjee	0.40	0.48	2.50	3.38
Mrs. Manju Agarwal (w.e.f. 19 January 2023)	0.10	0.08	0.63	0.81

Notes: The remuneration paid to Non-Executive Directors includes Commission payable for FY 2022-23 and Sitting fees paid towards attending the Board Meeting, Audit Committee Meeting, Nomination and Remuneration Committee Meeting, Corporate Social Responsibility, Stakeholders Relationship Committee Meeting, Risk Management Committee Meeting and Independent Directors Meeting held during the financial year 2022-23.

None of the Non-Executive Independent Directors hold any equity shares of the Company. Further, there are no material pecuniary relationships or transactions of the Non-Executive Directors with the Company, except those disclosed in the Annual Report, if any. Further, the Company had not granted any Employee Stock Option to its Non-Executive Independent Directors. Hence, the disclosure of the same is not applicable.

Number of Shares and Convertible instruments held by Non-Executive Directors:

As on 31 March 2023, none of the Non-Executive Directors hold any shares in the Company. The Company has not issued any convertible instruments.

2.15.2 Remuneration to Executive Directors

Criteria for Remuneration to Executive Directors

The compensation paid to the Executive Directors (including Managing Director) is within the scale approved by the shareholders. The elements of the total compensation, approved by the Nomination and Remuneration Committee are within the overall limits specified under the Act. The Nomination and Remuneration Committee determines the annual variable pay compensation in the form of annual incentive and annual increment for the Executive Director based on Company's and individual's performance as against the pre-agreed objectives for the year.

Details of Remuneration paid / payable to Executive Directors for the financial year 2022-23 are as follows:

The remuneration paid / payable to Executive Directors for the financial year 2022-23 are in accordance with the approval of the Board and Members and are as under:

(₹ in million)

Name of Executive Directors	Salary & Perquisites	Commission*	Variable Pay	ESOP	Total
Mr. Inder T. Jaisinghani	52.62	164.73	-	-	217.35
Mr. Bharat A. Jaisinghani	17.24	-	3.82	-	21.06
Mr. Nikhil R. Jaisinghani	17.24	-	3.82	-	21.06
Mr. Rakesh Talati	14.78	-	8.73	1.54	25.05
Mr. Gandharv Tongia (w.e.f. 19 January 2023)	5.89	-	1.41	0.30	7.60

*Note: Commission payable for the Financial Year 2022-23

Service Contracts, Severance fees and Notice Period for Executive Directors

The tenure of the office of Managing Director and Executive Directors is 5 (Five) years from respective dates of their appointment and the notice period, in case of resignation, is as per the Companies Act, 2013 for terminating the service contract of Managing Director and Executive Director. Further, there is no separate provision for payment of severance fees. All Executive Directors except Chairman & Managing Director are liable for retirement by rotation.

Employee Stock Option Details (ESOP) for Executive Directors

During the year under review, none of the Executive Directors (EDs) had been granted Employee Stock Options under the respective ESOP Schemes of the Company. The details of ESOP granted, vested, and exercised by the Executive Directors are mentioned below:

Mr. Rakesh Talati (Executive Director)

Name of the Scheme	Polycab Employee Stock Option Performance Scheme
Vesting period	Five years in the ratio of 15:15:20:20:30
Exercise Price	₹405 per equity share of ₹10/-
No. of Options granted on 30 August 2018, under the scheme (A)	45,000 options
Options vested (B)	
(15% of 45,000) for F.Y 19-20	6,750
(15% of 45,000) for F.Y 20-21	6,750
(20% of 45,000) for F.Y 21-22	9,000
(20% of 45,000) for F.Y 22-23	9,000
Total:	31,500
Options exercised (C)	20,550
Balance Available (A-B)	10,950
Pending Vesting as on 31 March 2023	13,500

Mr. Gandharv Tongia (Executive Director & CFO)

Name of the Scheme	Polycab Employee Stock Option Performance Scheme
Vesting period	Five years in the ratio of 15:15:20:20:30
Exercise Price	₹405 per equity share of ₹10/-
No. of Options granted on 30 August 2018, under the scheme (A)	45,000 options
Options vested (B)	
(15% of 45,000) for F.Y 19-20	6,750
(15% of 45,000) for F.Y 20-21	6,750
(20% of 45,000) for F.Y 21-22	9,000
(20% of 45,000) for F.Y 22-23	9,000
Total:	31,500
Options exercised (C)	31,500
Balance Available (A-B)	-
Pending Vesting as on 31 March 2023	13,500

Directors and Officers Insurance:

In line with the requirements of Regulation 24(10) of the Listing Regulations, the Company has in place a Directors and Officers Insurance Policy ('D&O') for all its Directors (including Independent Directors) and Members of the Senior Management for such quantum and for such risks as determined by the Board.

2.15.3. Criteria for Remuneration to Key Managerial Personnel, Senior Managerial Personnel & Other Employees:

The total compensation for Key Managerial Personnel & Senior Managerial Personnel consists of fixed compensation, variable compensation in the form of annual incentive, benefits work-related facilities and perquisites. In addition, certain selected senior executives are eligible for long-term incentive plan in the form of ESOPs as per the ESOP scheme(s) in force from time to time. Grants under the ESOP scheme are approved by the Nomination and Remuneration committee. The performance of Key Managerial Personnel, Senior Managerial Personnel and other employees are evaluated in line with the performance criteria, key performance indicators, goals and targets entailed in 'Project Leap' which forms part of the Annual Report of the Company.

2.16. Committees of the Board

2.16.1. List of Committees

The Board has constituted the following Committees and endowed them with specific roles and responsibilities as enumerated in their 'Terms of reference':

- Audit Committee (AC)
- Nomination and Remuneration Committee (NRC)
- Stakeholders Relationship Committee (SRC)
- Corporate Social Responsibility & Environment Social and Governance Committee (CSR&ESGC)
- Risk Management Committee (RMC)

Corporate Governance Report

2.16.2. Composition of the Board Committees

The composition of the Committees of the Board as on 31 March 2023 are in compliance with the provisions of the Listing Regulations and the Act.

	Non-Executive Directors						Executive Directors				
	T. P. Ostwal	R. S. Sharma	Pradeep Poddar	Sutapa Banerjee	Manju Agarwal	Bhaskar Sharma	Inder T. Jaisinghani	Bharat A. Jaisinghani	Nikhil R. Jaisinghani	Rakesh Talati	Gandharv Tongia
AC	Chairman	Member	Member	Member[1]			Member				
NRC	Member	Chairman	Member	Member	Member[1]		Member				
SRC			Chairman	Member[2]	Member[1]	Member[1]		Member	Member		Member[1]
CSR and ESG[3]				Member	Member[1]	Member[1]	Chairman	Member[2]	Member[2]	Member	Member[1]
RMC	Chairman	Member[1]				Member[1]	Member	Member	Member		Member

Chairman of the Committee   Member of the Committee

Note:

[1] Appointed as member w.e.f. 12 May 2023

[2] Ceased to be member w.e.f. 12 May 2023

[3] Change in nomenclature from CSR Committee to CSR and ESG Committee w.e.f. 12 May 2023

Ms. Manita Carmen A. Gonsalves, Company Secretary and Head Legal acts as 'Secretary' to all the Committees constituted by the Board.

2.16.3. Procedure at Committee Meetings

The Company's procedures relating to the Board Meetings are applicable to the Board Committee Meetings. Each Committee has the authority to engage external experts, advisors, and counsels in consultation with the management to the extent it considers appropriate to assist in its functioning. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and are also placed before the Board for its noting.

The Committee(s), based on the role of responsibilities allocated by the Board as detailed in the terms of reference of each Committee, submitted recommendations based upon their independent assessments and review for the consideration and approval of the Board. During the year, all the recommendations of the Committees were deliberated upon and accepted by the Board.

Audit Committee (AC)

Composition	Mr. T. P. Ostwal (Independent Director) - Chairman Mr. R. S. Sharma (Independent Director) - Member Mr. Pradeep Poddar (Independent Director) - Member Mr. Inder T. Jaisinghani (Chairman and Managing Director) – Member Mrs. Sutapa Banerjee (Independent Director) – Member – w.e.f. 12 May 2023
Meetings	5 (Five) Meetings: 09 May 2022, 10 May 2022, 19 July 2022, 18 October 2022, and 19 January 2023
Attendance	100%
Attendees	Chief Financial Officer is a Permanent Invitee to the AC Company Secretary acts as Secretary to the AC
Invitees	Statutory Auditors, Internal Auditors, Business Unit and Functional Head, Cost Auditors and Secretarial Auditors.
Role	The Audit Committee acts as a link between the Management, the Statutory and Internal Auditors and the Board. The Audit Committee monitors and effectively supervises the Company's financial reporting process with a view to provide accurate, timely and proper disclosure, maintain the integrity and quality of financial reporting. The Audit Committee, inter alia, also reviews, from time to time: - The audit and internal control procedures, accounting policies; - Compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015; - Complaints received under Whistle- Blower Policy of the Company; - Related Party Transactions; - Performance of the Internal and Statutory Auditors and recommends their appointment and remuneration to the Board. The minutes of the Audit Committee Meetings were noted by the Board. The Chairman of the Audit Committee Meeting briefs the Board on the discussions held during Audit Committee Meeting. The recommendations of the Audit Committee have been accepted by the Board. As a part of its annual process, the Committee reviewed the compliance status of its charter and noted that it has comprehensively covered all the responsibilities assigned to it under the charter.
Brief Description of the Terms of Reference	(i) Oversight of financial reporting process. (ii) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval. (iii) Evaluation of internal financial controls and risk management systems. (iv) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company. (v) Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same. (vi) To consider matters with respect to the Code of Conduct and vigil mechanism. (vii) Recommending to the Board the appointment / remuneration of the Cost Auditors. (viii) Approving the payments of Cost Auditors towards other services rendered by them. (ix) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders. The detailed terms of reference of the Audit Committee are available on the website of the Company and can be accessed through weblink. The Committee reviews the compliance status of its charter quarterly and noted that it has comprehensively covered all the responsibilities assigned to it under the charter.
Governing Policies	Related Party Transaction Policy Whistle-Blower Policy
Related Party Transactions Policy ('RPT' Policy):	The Related Party Transaction Policy aims at enhanced transparency and due process for identification of related parties and approval of the related party transactions. In line with the Act and Listing Regulations, the Related Party Transaction Policy enumerates the minimum information to be provided by the Management for the Audit Committee to review the transactions. The details of all significant transactions with related parties are periodically placed before the Audit Committee. The Company had entered into related party transactions as set out in Notes to Accounts, which do not have potential conflict with the interests of the Company at large. The transactions are reviewed by external consultants and their report presented to the Audit Committee. The details of all significant transactions with related parties are periodically placed before the Audit Committee. The Company had entered into related party transactions as set out in Notes to Accounts, which do not have potential conflict with the interests of the Company at large. (i) a list of all the related parties identified in relation to the Company based on disclosures received from the Board Members is updated from time to time. (ii) Basis the above mentioned list of related parties, , prior to entering into any contract or arrangement with a related party, the Audit Committee ascertains whether the proposed contract or arrangement satisfies the criteria of arm's length, ordinary course of business and purpose and effect benefits any related party (iii) The contract / arrangement is entered into based on approval mechanism prescribed under this Policy as the case may be. Compliance to this condition is strictly adhered to by the concerned department proposing the underlying contract or arrangement. (iv) All Related Party contracts / arrangements require pre-approval of the Audit committee. **Accessibility:** The Related Party Transaction Policy is available on the website of the Company and can be accessed through weblink.

Corporate Governance Report

Whistle Blower Policy	In line with the Act and Listing Regulations, the Company has formulated a Whistle-Blower Policy to raise concerns about any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, suspected misconduct, unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner. **Salient features of the Whistle Blower Policy:** Whistle Blower Policy aims to provide secured environment and requires all employees to act responsibly to defend the reputation of the Company and maintain public confidence. This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business. The Audit Committee of the Company oversees vigil mechanism process of the Company pursuant to the provisions of the Act. The Chairman of the Audit Committee has direct access to the designated e-mail id: speakup@polycab.com for receiving the Complaints under Whistle-Blower Policy. The Policy enumerates the process for segregation by the Whistle Officer of complaints received, investigation by the Whistle Committee and reporting to the Audit Committee. The Company with a view to achieve good corporate governance encourages raising concern and reporting of incidents relating to malpractices and events which have taken place/suspected to take place involving inter-alia financial irregularities, including fraud, any unlawful act, employee misconduct, violations of the codes and policies of the Company. The purpose of this Policy is to encourage the stakeholders who have concern about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment, whilst providing anonymity and confidentiality. A report on the functioning of the mechanism, including the complaints received and actions taken, is presented to the Audit Committee on a quarterly basis. During the year under review 3 complaints were received which were scrutinized and investigated and summary of the findings along with closure report were placed before the Audit Committee for their noting. The Company confirms that no personnel was denied access to the Audit Committee / Audit Committee Chair.
Code on Prevention of Insider Trading	The Company had adopted a Code of Conduct to regulate, monitor and report trading by Insiders for Prevention of Insider Trading in the shares of the Company. The code, inter-alia, prohibits purchase / sale of shares of the Company by Directors and Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Code for Prevention of Insider Trading is available on the website of the Company and can be accessed through weblink.

Nomination and Remuneration Committee (NRC)

Composition	Mr. R. S. Sharma (Independent Director) - Chairman Mr. T. P. Ostwal (Independent Director) - Member Mr. Pradeep Poddar (Independent Director) - Member Mr. Inder T. Jaisinghani (Chairman and Managing Director) – Member Mrs. Sutapa Banerjee (Independent Director) – Member Mrs. Manju Agarwal (Independent Director) – Member w.e.f. 12 May 2023.
Meetings	2 (Two) Meetings: 09 May 2022 and 19 January 2023
Attendance	100%
Attendees	Chief Financial Officer is a Permanent Invitee to the NRC Company Secretary acts as Secretary to the NRC
Invitees	CHRO and External HR Consultants on case-to-case basis
Role	The primary role of NRC inter alia includes: implementation of compensation policies of the Company, administration and superintendence of the share-based incentive schemes, recommend the appointment of Directors and KMPs, remuneration payable to Directors, KMPs and Senior Management based on Annual Performance evaluation. Formulate fair and transparent structure that helps in acquiring and retaining the talent pool critical to build competitive advantage and brand equity. Set-up the criteria for identification of persons who are qualified to become Directors and who may be appointed in Senior Management. Formulate the criteria for Board evaluation including its Committees and Individual Directors.
Brief Description of the Terms of Reference	(i) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees; (ii) Formulating of criteria for evaluation of the performance of the independent directors and the Board; (iii) Devising a policy on Board diversity; (iv) Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down (v) Recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance; (vi) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; (vii) Analysing, monitoring and reviewing various human resource and compensation matters; (viii) Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors; (ix) Determining compensation levels payable to the senior management personnel (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component. (x) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws. The terms of reference of the Nomination and Remuneration Committee is available on the website of the Company and can be accessed through weblink
Governing Policies	Nomination and Remuneration Policy Board Diversity Policy Policy on Succession Planning of the Board and Senior Management
Nomination and Remuneration Policy	The Company had formed a Nomination and Remuneration policy in accordance with the provisions of the Act and the Listing Regulations to ensure reasonableness and sufficiency of remuneration to attract, retain and motivate competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The Nomination and Remuneration Policy is available on the website of the Company and can be accessed through weblink
Board Diversity Policy	The Company is committed to deal with all stakeholders with full transparency and fairness, ensuring adherence to all laws and regulations and achieving highest standards of corporate governance. In line with the above, the Nomination and Remuneration committee had devised a policy on diversity of Board of Directors for ensuring that the Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.
Policy on Succession Planning of the Board and Senior Management	The Policy is applicable for succession planning of the managing director/whole-time/ executive directors, non-executive directors, independent directors and other members of the Board and senior management. The NRC reviews the leadership and management needs of the Company from time to time. The NRC assess the suitability of a person who is being considered for appointment as a director of the Company, based on his/her educational qualification, experience, expertise and track record and shall recommend to the Board, the terms and conditions of his/her appointment, including remuneration. The NRC may, at its discretion, recommend to the Board, appointment of suitable candidate(s) in senior management level with a view to ensure a continuous availability of managerial talent at senior levels to meet the organizational needs. The recommendations of the NRC are placed before the Board for its approval.

Corporate Governance Report

Stakeholders' Relationship Committee (SRC):

Composition	Mr. Pradeep Poddar (Independent Director) - Chairman Mr. Bharat A. Jaisinghani (Executive Director) - Member Mr. Nikhil R. Jaisinghani (Executive Director) - Member Mrs. Sutapa Banerjee (Independent Director) - Member upto 12 May 2023 Mr. Gandharv Tongia (Executive Director & CFO) - Member w.e.f. 12 May 2023 Mrs. Manju Agarwal (Independent Director) - Member w.e.f. 12 May 2023 Mr. Bhaskar Sharma (Independent Director) - Member w.e.f. 12 May 2023
Meetings	1 (One) SRC Meeting was held on 19 January 2023
Attendance	All the members had attended the Committee Meeting held during the year under review
Attendees	The Company Secretary acts as the Secretary to the SRC. The Chief Financial Officer is a permanent invitee to the SRC. The representative of KFin Technologies Limited ('Registrar and Share Transfer Agent) is also invitee to the meeting.
Role	The primary role of SRC inter alia include resolving the grievances of Security holders, review the services rendered by Registrar and Transfer Agent, measures taken by the Company for effective exercise of voting rights by the shareholders and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend.
Brief Description of the Terms of Reference	(i) Consider and resolve grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends to the satisfaction of the security holders. (ii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities; (iii) Issue of duplicate certificates and new certificates on split / consolidation / renewal. (iv) Review of adherence to the service standards adopted by the Company in respect of the working and rendering of various services by the Registrar and Transfer Agents of the Company (v) Review of measures taken for effective exercise of voting rights by shareholders (vi) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend. The terms of reference of the Stakeholders Relationship Committee is available on the website of the Company and can be accessed through weblink
Governing Policies	Dividend Distribution Policy
Dividend Distribution Policy	The Company has in place a Dividend Distribution Policy in accordance with Regulation 43A of the Listing Regulations. The Dividend is determined on the basis of various parameters such as profits earned during the financial year, retained earnings, earnings outlook for next three to five years, fund requirements for future investments for growth and expected future capital / liquidity requirements.
Accessibility	The Dividend Distribution Policy is available on the website of the Company and can be accessed through weblink

Corporate Social Responsibility & Environment Social and Governance Committee (CSR&ESGC)

Composition	Mr. Inder T. Jaisinghani (Chairman and Managing Director) - Chairman Mr. Rakesh Talati (Executive Director) - Member Mrs. Sutapa Banerjee (Independent Director) – Member Mr. Bharat A. Jaisinghani (Executive Director) - Member upto 12 May 2023 Mr. Nikhil R. Jaisinghani (Executive Director) – Member upto 12 May 2023 Mr. Gandharv Tongia (Executive Director & CFO) - Member w.e.f. 12 May 2023 Mrs. Manju Agarwal (Independent Director) – Member w.e.f. 12 May 2023 Mr. Bhaskar Sharma (Independent Director) – Member w.e.f. 12 May 2023
Meeting	2 (Two) Meetings: 9 May 2022 and 18 October 2022
Attendance	All the members had attended the Committee Meeting held during the year under review.
Attendees	The Company Secretary acts as Secretary CSR&ESGC. Chief Financial Officer and Ms. Chitra Dave, member of CSR Management Committee are the Permanent Invitees to the CSR&ESGC.
Role	The primary role of CSR&ESG inter alia include recommending CSR Budget, evaluating CSR activities, proposing Annual Action Plan, monitoring implementation and monitoring of CSR Projects and progress of the CSR activities undertaken, review of impact assessment report undertaken through independent agencies and review and recommend to the Board, annual report on CSR activities and recommending ESG vision and goals set out on ongoing basis.
Brief Description of the Terms of Reference	(i) To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Act (ii) To recommend the amount of expenditure to be incurred on the CSR activities; (iii) To monitor the CSR Policy and its implementation by the Company from time to time (iv) To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Act and the rules framed thereunder. (v) Recommend ESG vision and goals set out on an ongoing basis;* (vi) Monitoring the progress against the stated vision and goals;* (vii) Reviewing any statutory performance obligations on Sustainability/ESG. The purpose and responsibilities of the Committee shall include such other items/matters prescribed under applicable law or prescribed by the Board in compliance with applicable law from time to time.* * included aspects relating to ESG in the terms of reference w.e.f. 12 May 2023 reflecting the additional responsibility re. ESG endowed upon the erstwhile CSR Committee. The terms of reference of the Corporate Social Responsibility Committee is available on the website of the Company and can be accessed through weblink
Governing Policies	CSR Policy
CSR Vision Statement	To help people achieve their ambitions by playing a broader role in society through community investments beyond what the Company delivers through core business activities. By aligning our community investment strategy to skills and experience, the positive impact of which will be much more than just a financial contribution.
CSR Policy	The CSR Policy lays down the guiding principles in undertaking various projects, programs or activities by or on behalf of the Company relating to CSR. The Company is committed to play a broader role in the communities in which it operates by supporting various social initiatives through funding and volunteering activities. The Company has developed this Policy encompassing its philosophy for being a responsible Corporate House. The policy entails mechanisms for identification, need assessment, fund allocation, implementation of Projects and impact assessment are detailed in the CSR Policy. undertaking various programs for the benefit of the community at large.
Mechanism	In order to achieve its goal, the Company supports initiatives relating to Health care, Education, Rural development, Social Empowerment, National Heritage, by undertaking Projects, Programs or Activities as approved by the Board, on the recommendation of CSR Committee. The Company undertakes projects primarily through its implementation agency, Polycab Social Welfare Foundation. The Company established Polycab Social Welfare Foundation (PSWF) in 2020 as a not-for-profit organisation aimed at providing a dedicated approach to community development and to fulfil CSR commitments of Polycab Group. PSWF also partners with non-government organizations (NGOs) to make a difference among local communities.
CSR Focus areas	Health Care Environment Education Rural Development National Heritage Social Empowerment
Accessibility	The CSR Policy is available on the website of the Company and can be accessed through weblink

Risk Management Committee (RMC)

Composition	Mr. T. P. Ostwal (Independent Director) – Chairman Mr. Inder T. Jaisinghani (Chairman and Managing Director) – Member Mr. Bharat A. Jaisinghani (Executive Director) – Member Mr. Nikhil R. Jaisinghani (Executive Director) – Member Mr. Gandharv Tongia (Executive Director and CFO) - Member Mr. R. S. Sharma (Independent Director) – Member w.e.f. 12 May 2023 Mr. Bhaskar Sharma (Independent Director) – Member w.e.f. 12 May 2023
Meeting	During the year under review, 2 (Two) Meetings of Risk Management Committee were held on 12 September 2022 and 02 March 2023.
Attendance	All the members had attended the Committee Meeting held during the year under review.
Attendees	The Company Secretary acts as the Secretary to the RMC. The Internal Auditors are the Permanent Invitee to the RMC.
Role	The primary role of RMC is to formulate framework for identification of internal and external risks specifically faced by the Company, measures for risk mitigation and business continuity plan and monitor and oversee implementation of the risk management policy and evaluate the adequacy of risk management systems.

Corporate Governance Report

Brief Description of the Terms of Reference	(i) Managing and monitoring the implementation of action plans developed to address material; (ii) Business risks within the Company and its business units, and regularly reviewing the progress of action plans; (iii) Setting up internal processes and systems to control the implementation of action plans; (iv) Regularly monitoring and evaluating the performance of management in managing risk; (v) Providing management and employees with the necessary tools and resources to identify and manage risks; (vi) Regularly reviewing and updating the current list of material business risks; (vii) Regularly reporting to the Board on the status of material business risks; (viii) Ensuring compliance with regulatory requirements and best practices with respect to risk management; (ix) Evaluate risks related to cyber security and ensure appropriate procedures are placed to mitigate these risks in a timely manner; (x) Coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice); (xi) Access to any internal information necessary to fulfil its oversight role; (xii) Authority to obtain advice and assistance from internal or external legal, accounting or other advisors; (xiii) Periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities; (xiv) Formulating a detailed risk management policy which shall include: a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee; b. Measures for risk mitigation including systems and processes for internal control of identified risks; c. Business continuity plan; (xv) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; (xvi) Monitoring and overseeing the implementation of the risk management policy including evaluating adequacy of risk management systems; (xvii) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; (xviii) Regularly reporting to the Board about the nature and content of its discussions, recommendations and actions to be taken; The terms of reference of the Risk Management Committee is available on the website of the Company and can be accessed through weblink
Governing Policies	Risk Management Policy
Risk Management Policy	The Company has in place risk management system which takes care of risk identification, assessment and mitigation. The mechanism helps to identify, assess, monitor, and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Company' internal control encompasses various managements systems, structures of organization, standard and code of conduct which all put together help in managing the risks associated with the Company. With a view to ensure the inter controls systems are meeting the required standards, the same are reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also revised at frequent intervals. The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threatens the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.
Accessibility	The Risk Management Policy is available on the website of the Company and can be accessed through weblink

3. SEBI Complaints Redressal System (SCORES)

The investor complaints are processed in a centralized web-based complaints redressal system formulated by SEBI. The salient features of this system are centralized database for all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The Company had registered itself on the SCORES and every effort is made to resolve investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. No Shares are lying in Demat Suspense Account / Unclaimed Suspense Account. Hence, the disclosure of the same is not required to be provided.

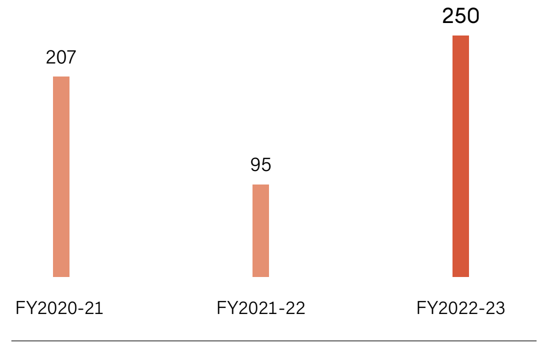
The Status Report on number of shareholder complaints / requests received and replied by the Company during the financial year 2022-2023 are as follows:

Nature of Complaint	Received	Resolved	Pending
Non-Receipt of Annual Report	2	2	0
Non-Receipt of Dividend Warrant	245	245	0
SEBI (Scores) / Stock Exchanges	2	2	0
Non-Receipt of Share certificate	1	1	0
TOTAL	**250**	**250**	**0**

The Company constantly engages with the shareholders on issues relating to unpaid / unclaimed dividend to ensure effective resolution of grievances. The Company had reached out to its shareholder to reduce the amount lying in Unclaimed Dividend.

The Company Secretary acts as the Chief Investor Relations Officer (CIRO). The shareholders may write to the company's exclusive e-mail id for their grievances shares@polycab.com

Complaints Redressal Graphs



General Body Meetings:

4.1. Location and time, where last three Annual General Meetings (AGMs) were held:

Year	Venue	Date	Time	Special Resolutions passed
2021-22[2]	OAVM[1]	29 June 2022	9.00 A.M.	Continuation of appointment of Mr. Inder T. Jaisinghani (DIN: 00309108) as Managing Director on attaining the age of 70 years. Alteration of certain clauses of Articles of Association (AOA) of the Company. Payment of Commission to the Independent Directors of the Company.
2020-21[2]	OAVM[1]	21 July 2021	9:00 A.M.	Amendment(s) under Clause 7.3 of Polycab Employee Stock Option Performance Scheme 2018 (Performance Scheme)
2019-20[2]	OAVM[1]	21 July 2020	9:00 A.M.	None

1 Video Conferencing and Other Audio-Visual Means (OAVM)

2 All the Directors, Statutory Auditors and Secretarial Auditors attended the Annual General Meeting held on 29 June 2022.

Note: The Annual General Meeting of the Company is normally held within four months from the closure of every financial year.

4.2. Details of Special Resolution passed through postal ballot:

Postal Ballot was conducted in accordance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. Shareholders are provided the facility to vote through remote e-voting and the postal ballot notice sent to shareholders as per the permitted mode wherever applicable.

Shareholders holding equity shares as on the cut-off date can cast their votes through remote e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submitted his report to the Chairman, or any other person authorised by the Chairman and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period. The result is displayed on the website of the Company and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agent. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for remote e-voting.

In accordance with the provisions of the MCA Circulars, the members can vote only through remote e-voting. Hence, there is no requirement for sending physical copies of the Postal Ballot Notice along with postal ballot forms and pre-paid business envelope to the shareholders.

Procedure followed by Company for conducting Postal Ballot:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 19 January 2023 had approved the following items to be passed through postal Ballot subject to approval of the shareholders:

- Appointment of Mrs. Manju Agarwal (DIN:06921105) as an Independent Director of the Company (Special Resolution)
- Appointment of Mr. Gandharv Tongia (DIN: 09038711) as Whole-Time Director of the Company (Ordinary Resolution)

The Postal Ballot notice along with Explanatory Statement were sent to the shareholders through e-mails whose name appeared in the Register of Members / Register of Beneficial Owners maintained by the depositories as on Friday, 20 January 2023, to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch.

The Company had provided remote e-voting facility to enable the shareholders to cast their votes by electronic means in view of various Circulars issued by MCA and SEBI from time to time.

The remote e-voting commenced from Tuesday, 31 January 2023 at 9.00 A.M. (IST) and ended on Wednesday, 01 March 2023 at 05.00 P.M. (IST). The remote e-voting was not allowed beyond the aforesaid date and time and the e-voting module was disabled by NSDL upon expiry of the aforesaid period.

After the last date of remote e-voting, Dilip Bharadiya & Associates, Company Secretaries, Mumbai, Scrutinizer, submitted their report to the Company Secretary. On the basis of the Scrutinizer's Report, the resolutions were declared as passed with requisite majority.

The Scrutiniser's Report was submitted to the Stock Exchanges and is also available on the website of the Company and can be accessed through weblink.

4.3 Hon'ble National Company Law Tribunal, Bench at Ahmedabad convened meeting:

During the year under review, a scheme of amalgamation of Silvan Innovation Labs ('Wholly-Owned Subsidiary') with Polycab India Limited ('Holding Company') was approved by the respective Board of Directors involved in the Scheme. The scheme thereafter has been filed with BSE Limited and National Stock Exchange of India Limited for disclosure purpose and both the stock exchanges have disseminated the same on their respective websites. The Scheme of Amalgamation was filed with the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ('NCLT') on 21 October 2022.

Pursuant to the Order dated 08 February 2023, passed by the Hon'ble National Company Law Tribunal Bench, at Ahmedabad ("NCLT"), in C.A. (CAA)/61(AHM) 2022 ("Order"), the following meetings were held on 17 March 2023 through Video Conferencing / Other Audio-Visual Means:

Sr. No.	Meeting	Timings
1.	Meeting of Equity Shareholders	11:00 A.M.
2.	Meeting of Secured Creditors	12:00 P.M.
3.	Meeting of Unsecured Creditors	03:00 P.M.

Mr. Chirag Shah (Membership No. F5545), Practicing Company Secretary, was appointed by NCLT as Scrutinizer to scrutinize the e-voting during the Meeting and remote e-voting process in a fair and transparent manner.

The Company had availed the services of National Securities Depository Limited ("NSDL") for providing the remote e-voting and e-voting facility to the Equity Shareholders, Secured Creditors and Unsecured Creditors.

The remote e-voting period had commenced on Tuesday, 14 March 2023 at 09:00 A.M. (IST) and closed on Thursday, 16 March 2023.

At the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors held on Friday, 17 March 2023, through VC/OAVM, the facility to vote electronically was provided to facilitate those Equity Shareholders, Secured Creditors and Unsecured creditors who were attending the meeting through VC/OAVM but did not exercise their vote through remote e-voting, to cast their votes electronically.

After completion of the e-voting process at the meeting, the votes cast through remote e-voting as well as during the meeting were unblocked and downloaded from the e-voting website of NSDL (https://www.evoting.nsdl.com) on 17 March 2023, in the presence of two witnesses who were not in the employment of the Company.

The Scrutinizer after counting the votes cast through remote e-voting and e-voting done at the meeting reconciled with the records maintained by the NSDL. Further, after due verification submitted the Scrutinizer submitted his report to the Chairman of the meeting. On the basis of the Scrutinizer's Report, the resolutions were declared as passed with requisite majority.

4.4 E-voting Facilities

During the year under review, the Company had provided e-voting facilities to the shareholders to cast their votes at the Annual General Meeting, Postal Ballot and Tribunal convened meetings held during the year. Further, all the matters were presented to the shareholders through separate resolutions. All the resolutions passed during the year were accepted by majority of minority shareholders. The e-voting details of each shareholders category wise were disclosed to the stock exchanges within 48 hours of conclusion of meeting and there were no votes cast which could be accounted as invalid. The details of e-voting results is available on the website of the Company and can be accessed through weblink

The Company has been transparent whilst undertaking the process of Amalgamation of Silvan Innovation Labs Private Limited with the Company.

4.5. Mandatory Policies

The Company had also adopted the following 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:

- Policy for Evaluation of the Performances of the Board of Directors, Committees and Individual Directors.
- Corporate Social Responsibility Policy.
- Dividend Distribution Policy
- Policy on Diversity of Board of Directors.
- Policy on Succession Planning for the Board and Senior Management.
- Policy on Determination of Materiality of Events / information.
- Policy for Preservation of Documents and Archival.
- Code of Conduct for Directors and Senior Management Team.
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- Policy for determining Material Subsidiary.

4.6. Internal Compliance Tool

The Company has in place an internal compliance tool for implementing, monitoring and tracking the applicable laws across various functions and department of the Company and reporting deviation, if any, to the Management and Board of Directors for risk mitigation and corrective actions. Further, based on the confirmations received from the Heads of Department / Group Presidents, a report by the Managing Director & Company Secretary confirming the compliance with respect to various laws, rules and regulations, as applicable to the Company, is placed before the Board at every quarterly Board meeting for their review and noting. The Company practices post meeting follow-up, review and reporting process for the action taken on decisions of the Board and its various Committees. The Company Secretary & Compliance Officer submits the follow-up Action Taken Report to the Board and its Committees at each meeting on the compliance of the decisions / instructions of the Board / Committee(s).

The Company is committed to learn and adopt the best practices of Corporate Governance.

Corporate Governance Report

5. Disclosures

5.1. Awards and Accolades

During the year under review, the Company was honoured with the awards, inter alia, in areas of digitisation, financial management, reporting, communication:

- Manufacturing Excellence Award by Kaizen Hansei;
- Asia's Best Community Impact Reporting (Silver) by CSR Works;
- ET Best Brands 2022.

Including other Awards and Accolades as set out in Page no. 86 and 87 of the Annual Report

5.2. Statutory Compliance, Penalties/Structures

The Company had complied with rules and regulations prescribed by SEBI and any other statutory authority relating to capital market. No penalty or stricture had been imposed on the Company by the Stock Exchanges or SEBI on any matter related to the capital markets, during the last three years. There were no fines, penalties or instances of violation of ethical and behavioural norms by the Directors, KMPs and SMPs during the year.

5.3. Compliance with Mandatory Requirements

The Company had complied with all the mandatory requirements of Listing Regulations to the extent applicable.

5.4 Adoption of non-mandatory requirements as detailed below:

Particulars	Status
(i) Board Non-Executive Chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not Applicable as our Chairperson is Executive
(ii) Shareholders' Right A Half - Yearly declaration of financial performance including summary of significant events in last six-months, may be sent to each household of shareholders	The Company's half-yearly and quarterly results are published in leading English and Gujarati newspaper and also uploaded on the website of the Company. The Company also suo moto publishes quarterly condensed standalone and consolidated financial statements that are duly limited reviewed by the statutory auditors. The Company has taken adequate steps to educate the shareholders on the performance of the Company through timely disclosures on the stock exchange, financial performance information emails, regular reminders on process of unclaimed dividend, discussions and deliberation at the Investor calls.
(iii) Modified opinion in Audit Report The listed entity may move towards a regime of financial statements with unmodified opinion	Complied. There is no qualification in the Audit Report. Auditor has issued an unqualified opinion without any matter of emphasis in the preceding three financial years. There have been no adverse remarks / concerns from statutory auditors since listing of the company.
(iv) Reporting of Internal Auditor The Internal Auditor may report directly to the Audit Committee	Complied - The Internal Auditors of the Company are present in Audit Committee Meetings, and they report to the Audit committee.
(v) Independence, Competence, Experience of Auditors: Statutory Auditors Internal Auditors Secretarial Auditors Cost Auditors	The Board confirmed the independence, competence, and experience of the Auditors. The Independent Directors met with the Statutory and Internal Auditors without the presence of the Management. There were no adverse remarks or statements made by the Auditors.

5.5 There are no non-compliances of any requirements of Corporate Governance Report in sub-paras (2) to (10) mentioned in schedule V of the Listing Regulations.

5.6 The Company had complied with Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

5.7 As per SEBI Notification dated 04 January 2017, it is confirmed that no employee including Key Managerial Personnel or Director or Promoter of the Company had entered into any agreement for him/her or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

5.8. Disclosure of Accounting Treatment

The Company prepared its Financial Statements to comply with the Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. These Standalone Financial Statements includes Balance Sheet as at 31 March 2023, the Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and Statement of changes in equity for the year ended 31 March 2023, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

5.9. Code of Conduct for Board of Directors and Senior Managerial Personnel

The Company has adopted a 'Code of Conduct for its Board of Directors and Senior Management Personnel' which also includes the duties of Independent Directors as laid down in the Act and the Listing Regulations. The Code of Conduct is available on the Company's website and can be accessed through weblink. Further the Company continually strives to conduct business and strengthen relationships in a manner that is dignified, distinctive and responsible whilst adhering to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. Therefore, the Company had adopted various codes and policies to carry out our duties in an ethical manner including the Polycab's Code of Conduct. All the Board Members and Senior Management Personnel had affirmed compliance with Code of Conduct of the Company for the financial year ended 31 March 2023.

6. CEO/CFO Certification

In terms of requirement of Regulation 17(8) read with Part B of Schedule II of Listing Regulations, Mr. Inder T. Jaisinghani, Chairman and Managing Director and Mr. Gandharv Tongia, Executive Director and Chief Financial Officer of the Company have furnished certificate to the Board in the prescribed format certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Report. The said certificate had been reviewed by the Audit Committee and the same was taken on record by the Board at the Meeting held on 12 May 2023.

7. Directors' Responsibility Statement

The Directors' Responsibility Statement signed by Mr. Inder T. Jaisinghani, Chairman & Managing Director which is included in the Board's Report for financial year 2022-23, had been reviewed by the Audit Committee at its Meeting held on 12 May 2023.

8. Reconciliation of Share Capital Audit Report

In terms of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The Audit Report, inter alia, confirms that the Register of Members is duly updated and that demat / remat requests were confirmed within stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

9. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part

During the year under review, the Company paid total fees (including reimbursement of expenses) of ₹11.88 million (excluding applicable taxes) to B S R & Co. LLP, Chartered Accountants, Statutory Auditors.

B S R & Co. ('the firm') was constituted on 27 March 1990 as a partnership firm having firm registration no. as 101248W. It was converted into limited liability partnership i.e. B S R & Co. LLP on 14 October 2013

Corporate Governance Report

thereby having a new firm registration no. 101248W/W-100022. The registered office of the firm is at 14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Centre, Western Express Highway, Goregaon (East), Mumbai 400063. B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India.

10. Disclosure by listed entity and its subsidiaries of loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount

Not Applicable, as the Company has not given any loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount, during the year under review.

11. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

(i) Number of Complaints filed during the year – 1

(ii) Number of Complaints disposed of during the year – 1

(iii) Number of Complaints pending as on end of the financial year – None

12. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations

Not Applicable, as the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations during the year under review.

13. Means of Communication

Website: The Company's website www.polycab.com contains, inter alia, the updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, official press releases, the investor / analysts presentations, details of investor calls and meets, shareholding pattern and announcements. The Company also holds investor calls on quarterly basis, the transcript is disclosed on the Company's website. The said information is available in a user friendly and downloadable form.

Dissemination of disclosures specified under Regulation 46(2) of Listing Regulation through a separate section. weblink

Financial Results: The quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited and National Stock Exchange of India Limited after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper and one Gujarati newspaper within 48 hours of approval thereof.

Annual Report: Annual Report containing, inter alia, Audited Financial Statements, AGM Notice, Board's Report, Management Discussion and Analysis Report, Business Responsibility and Sustainability Report Corporate Governance Report and Auditor's Report is circulated to the members and others entitled thereto and is also available on website of the Company.

Uploading on NSE Electronic Application Processing System (NEAPS), NSE Digital Exchange & BSE Listing Centre: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS and on BSE Listing Centre.

14. General Shareholder information:

Sr. No.	Particulars	Details
(i)	Annual General Meeting - Date Time and Venue	27th Annual General meeting (AGM) of the Company will be held on 30 June 2023 at 9:00 A.M. through Video Conferencing / Other Audio Visual Means
(ii)	Financial Year	Financial Year is 01 April to 31 March of the following year
(iii)	Quarterly results will be declared as per the following tentative schedule:	
	Financial reporting for the:	
	Quarter ending 30 June 2023	On or before 14 August 2023
	Quarter and Half year ending 30 September 2023	On or before 14 November 2023
	Quarter and nine months ending 31 December 2023	On or before 14 February 2024
	Year ending 31 March 2024	On or before 30 May 2024
	Trading Window Closure Date	From the 1st day from close of quarter till the completion of 48 hours after the financial results becomes generally available
(iv)	Dates of Book Closure	Thursday, 22 June 2023 to Sunday, 25 June 2023
(v)	Record date	Wednesday, 21 June 2023
(vi)	Dividend Payment date	On or before 28 July 2023
(vii)	Listing on Stock Exchanges & Payment of Listing Fees	The Company's shares are listed on: (a) BSE Limited ("BSE") P. J. Towers, Dalal Street, Mumbai – 400001 (b) National Stock Exchange of India Ltd. C/1, Block G, Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051 The Company has paid the Annual Listing Fees to both the Stock Exchanges.
(viii)	Stock Code & ISIN	BSE Scrip Code: 542652 NSE: POLYCAB ISIN: INE455K01017
(ix)	Registrars and Transfer Agents	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) KFin Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Telephone No. +91 40 6716 2222 Fax No. +91 40 2343 1551 Email: einward.ris@kfintech.com Website: www.kfintech.com
(x)	Share Transfer System	The Board had delegated the power of Shares Transfer to Stakeholders' Relationship Committee
(xi)	Address for Correspondence	Ms. Manita Carmen A. Gonsalves Company Secretary and Head Legal #29, The Ruby, 21st Floor, Senapati Bapat Marg, Tulsi Pipe Road, Dadar (West), Mumbai - 400 028
(xii)	Dematerialization of Shares and Liquidity	99.9999% of Company's shares are held in the electronic mode as on 31 March 2023
(xiii)	Electronic Clearing Service (ECS)	Members are requested to update their bank account details with their respective Depository Participants (for shares held in the electronic form) or write to the Company's Registrars and Transfer Agents, KFin Technologies Limited (for shares held in the physical form)
(xiv)	Investor relation officer / Investor Complaints to be addressed to	KFin Technologies Limited - Registrars and Transfer Agents (details as provided above in sub-point ix. above) or Manita Carmen A Gonsalves, Company Secretary and Compliance Officer Address: #29, The Ruby, 21st Floor, Senapati Bapat Marg, Tulsi Pipe Road, Dadar (West), Mumbai - 400 028 Landline no. 022-67351661 Grievance Redressal e-mail cs@polycab.com Investor related queries e-mail Investor.relations@polycab.com Shares related query, dividend, transfer, demat, etc. Shares@polycab.com
(xv)	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity	The Company had not issued any GDRs/ ADRs/ Warrants or any Convertible Instruments.
(xvi)	Details of Demat suspense Account / unclaimed Suspense Account	Not Applicable
(xvii)	Commodity price risk or foreign exchange risk and hedging activities	The Company deals in commodity and foreign exchange in ordinary course of business and has adequate risk management mechanism. These are reviewed by the Risk Management Committee and Audit Committee of the Company.
(xviii)	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Not Applicable The Company did not issue any debt instrument or any fixed deposit programme or any scheme or proposal involving mobilization of funds, in India or abroad.
(xix)	Details of Plant Locations - Halol, Daman, Nashik, Roorkee and Chennai	

Corporate Governance Report

Sr. No.	Plant Locations
A.	**Halol, Gujarat**
	(UH 1 & UH1A) 333, 335, 336 & 339/2/2/1& 2, Baska-Halol Road, District Panchmahal - 389350, Gujarat, India
	(UH2 & UH2A) Plot No. 30, 31, 34, 42/1, 65/1, Rameshra Road, Baska, District Panchmahal - 389352, Gujarat, India
	(UH3) Plot No. 12P2, 13, 15, 16/A, 16/B, 17 to 19, 20P1, 20P2, 21 to 25, 26A, 26B, 30 to 33, 34/1,2,3,4, 65, 109 Village - Rampura & Noorpura, Halol, Panchmahal - 389350, Gujarat, India
	(UH4) Plot No. 67, 68, 68/P1, 68/P2, 70/1, 71/72, 105/1, 105/2, 106 Nurpura, District Panchmahal, Halol - 389350, Gujarat, India
	(UH5) Survey No. 49, 51/1, 51/2, 52/1, 52/2, 52/3, 53/1, 53/2, 54, Rameshra Road, Village Baska, Taluka Halol, District Panchmahal - 389352, Gujarat, India
	(UH6) Survey No. 79/1-3, 80/1-2, Baska-Ujeti Road, Baska, Dist. Panchmahal, Halol- 389352, Gujarat
	(UH7) Plot No. 74/1 Paiki 74/1/P, 74/2/1, 74/2/2, 80 Village Vanseti, Ta.: Halol, Dist. Panchmahal – 389350
	(UH8) Old R.S. No-40, New R.S. No.27, Old Survey No-558/7, New R.S. No-556, Halol-Vadodara Road, Behind Tuff Ropes, Vill-Asoj, Ta-Waghodia, Dist-Vadodara, Gujarat
	(UH9) Old R S No 32/1/3 32/1/4 32/1/6 32/1/7 32/1/5 32/3/1 New R S No-147 148 149 150 151 156 Baska Asoj Road, Ta.: Waghodia, Dist.: Vadodara
	(Engineering Workshop & Store) R. S.No. 63/1 63/2 63/4 Baska Ujeti Road Vill-Baska, Ta.: Halol, Dist.: Panchmahal
B.	**Daman**
	PIL-JWPL-1 - Plot No. 74/7, Daman Industrial Estate, Village-Kadaiya Daman-396210
	PIL-UNIT-1 - Plot No. 74/8,9, Daman Industrial Estate, Village-Kadaiya Daman-396210
	PIL-HT, PCPL JFTC - Plot No. 74/10,11 Additional Area 52/1,2 53/1,3,4, Daman Industrial Estate, Village-Kadaiya Daman-396210
	PIL-PID-1, Plot No. 52/5,6,7,8, Daman Industrial Estate, Village-Kadaiya, Daman-396210
	PIL-UNIT-3 - Plot No. 96/1-7, 100/2-6, Daman Industrial Estate, Village-Kadaiya, Daman – 396210
	PIL-UNIT-2- Plot No. 38/1-6, 41/4-9 &42/1-3 &43/1-3,44/1-3& 45/1-2,& 46/5,6,8& 9, Daman Industrial Estate, Village-Kadaiya Daman-396210
	PIL-PID2- Plot No. 78-82, Silver Industrial Estate, Village-Bhimpore, Daman-396210
	PIL-JWPL-2 - Plot No. 353/1,2, Village-Kachigam, Daman-396210
	PIL-PWIPL - survey No. 353/1,2(First Floor) Village-Kachigam, Daman- 396210
	PIL-PVC Plant- Survey No. 352/3, 355/P, Village-Kachigam, Daman-396210
	PIL-BNK2- 35/35A GOA IDC, Ind Estate, Somnath Road, Daman-396210
C.	**Nashik, Maharashtra**
	S-31, Additional Industrial Area, MIDC Ambad, Nashik 422010
	Gate No.42/3/1, Rajur Phata, Nashik Mumbai Highway, Nashik, Nashik, Maharashtra, 422010
D.	**Roorkee, Uttarakhand**
	Khasra No-124, 1415F-1420F, Village-Raipur, Pargana-Bhagwanpur, Roorkee, Dist-Haridwar, Uttarakhand-247661
	Plot No - 28, Shiv Ganga Industrial Estate, Lakeshwari, Bhagwanpur, Roorkee, Dist-Haridwar, Uttarakhand-247661
E.	**Chennai, Tamil Nadu**
	R.S. No. - 135 Part2, 132, 134 Part1, Aziture Palur Road, Village - Aziture, Taluka - Sriperumbudur, Dist. - Kanchipuram, Chennai, Tamil Nādu - 603204

15. Market Price and Shares Data:

15.1. Market price date - High and Low from 01 April 2022 to 31 March 2023 are mentioned below:

(All prices in Rupees - ₹)

Month	BSE		NSE	
	High	Low	High	Low
April, 2022	2,820.05	2,354.40	2,820.00	2,355.00
May, 2022	2,628.90	2,366.20	2,629.90	2,365.00
June, 2022	2,612.45	2,045.00	2,570.70	2,043.85
July, 2022	2,335.70	2,105.00	2,336.00	2,104.00
August, 2022	2,501.00	2,293.10	2,502.95	2,288.35
September, 2022	2,719.00	2,435.00	2,719.75	2,441.40
October, 2022	2,853.50	2,535.00	2,862.50	2,531.00
November, 2022	2,846.00	2,502.00	2,846.40	2,500.00
December, 2022	3,025.00	2,500.15	3,025.00	2,500.25
January, 2023	2,934.95	2,546.80	2,934.65	2,546.05
February, 2023	3,142.00	2,904.15	3,143.40	2,904.75
March, 2023	3,140.00	2,755.00	3,142.00	2,753.90

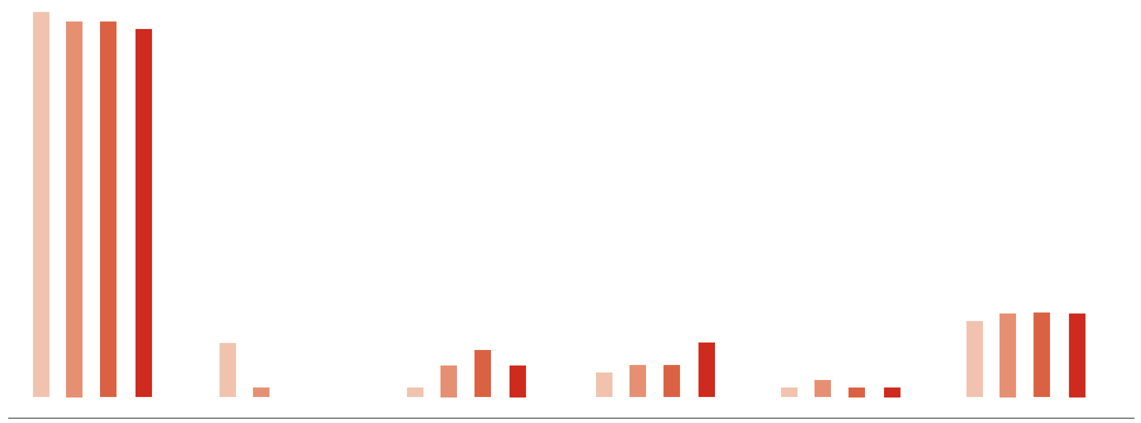
15.2 Summary of Shareholding Pattern as on 31 March 2023:

Category of Shareholder	Number of Shareholders	Number of Shares held	Percentage of Shareholding
Promoter & Promoter Group*	30	99,149,899	66.20
Mutual Funds	25	9,956,034	6.65
Alternate Investment Funds	25	1,903,608	1.27
Foreign Portfolio Investors	330	14,628,138	9.77
Foreign Institutional Investors	1	22,352	0.01
Trust	22	40,945	0.03
Resident Individuals	308,554	18,718,116	12.50
Employees	112	542,091	0.36
NRI	6,751	662,160	0.44
Clearing member	66	195,278	0.13
Banks	0	0	0.00
Qualified Institutional Buyer	30	2,129,779	1.42
Bodies Corporate	1,899	1,488,328	0.99
HUF	4,634	328,540	0.22
Foreign Nationals	1	10	0.00
Total	**322,551**	**149,765,278**	**100.00**

*None of the shares held by Promoter & Promoter Group have been pledged by the Promoters since listing.

15.3 Shareholding Trend:

Shareholding Pattern



Particulars	Promoter & Group	IFC	Mutual Funds	FIIs	AIF+QIB	Others
31-Mar-23	66.2%	-	6.6%	9.8%	2.7%	14.7%
31-Mar-22	68.1%	-	8.1%	5.8%	2.1%	15.9%
31-Mar-21	68.4%	2.5%	6.6%	6.4%	3.0%	16.0%
31-Mar-20	68.6%	9.5%	2.8%	4.9%	2.3%	14.2%

Note: IFC stands for International Finance Corporation, FII stands for (Foreign Institutional Investors) includes Foreign Portfolio - Corp and Foreign Corporate Bodies and QIB/ AIF stands for Qualified Institutional Buyer/ Alternative Investment Fund

15.4 Distribution of Shareholding as on 31 March 2023:

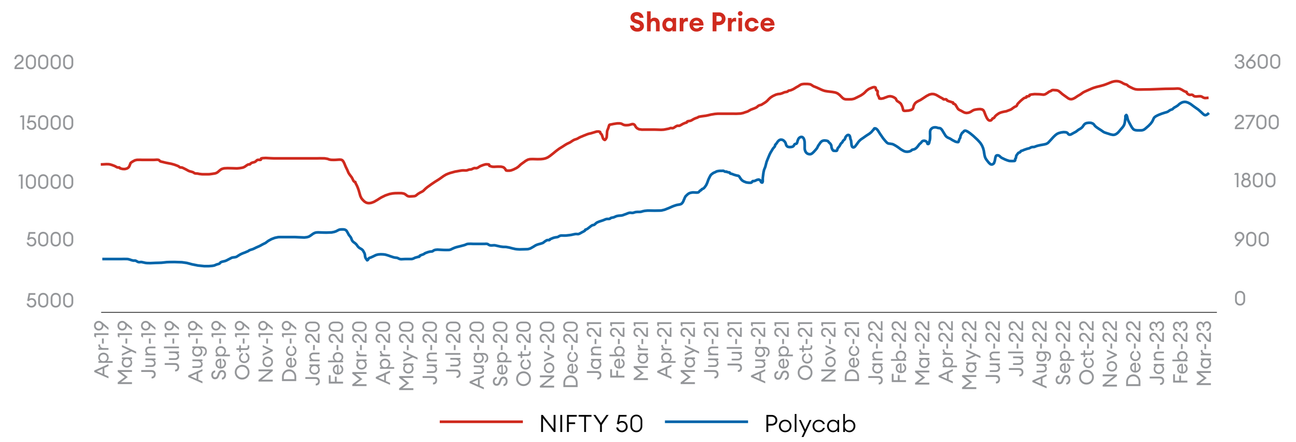
Category of Shares	Number of Shareholders	Number of Shares held	% of Shareholding
1 - 500	310,488	8,458,777	5.65
501 - 1000	1,771	1,262,570	0.84
1001 - 2000	819	1,154,195	0.77
2001 - 3000	268	666,328	0.44
3001 - 4000	149	512,929	0.34
4001 - 5000	108	486,124	0.32
5001 - 10000	197	1,399,176	0.93
10001 - 20000	114	1,597,504	1.07
20001 and above	193	134,227,675	89.63
TOTAL:	**314,107**	**149,765,278**	**100.00**

15.5 Bifurcation of shares held in physical and demat form as on 31 March 2023:

Particulars	No. of Shares	Percentage (%)
Physical Shares (I)	7,779*	0.01
Sub-Total	7,779*	0.01
Demat Shares (II)		
NSDL (A)	142,674,999	95.27
CDSL (B)	7,082,500	4.37
Sub-Total (A+B)	149,757,499	99.99
Total (I+II)	**149,765,278**	**100.00**

*Note: 7763 equity shares were issued and allotted under Polycab Employee Stock Option Performance Scheme 2018 on 24 March 2023 and the said shares were included under the physical category temporarily. The listing and trading approval of 7763 equity shares was received subsequently from the Stock Exchanges and the shares were then converted into Demat mode.

15.6 Performance in Comparison to Nifty 50 Index as on 31 March 2023:



Note: Share price on daily closing basis. In case the securities are suspended from trading, the Directors report shall explain the reason thereof - Not applicable.

15.7 Stock Performance and Returns:

Absolute Return (in %)	1 Year 2019-20	2 Years 2020-21	3 Years 2021-22	4 Years 2022-23
Polycab (NSE)	13%	111%	261%	340%
Polycab (BSE)	13%	111%	261%	339%
BSE Sensex	-25%	26%	49%	50%
NSE Nifty	-27%	25%	48%	47%
Annualised Return (In %)				
Polycab (NSE)	13%	86%	71%	22%
Polycab (BSE)	13%	86%	71%	22%
BSE Sensex	-25%	68%	18%	0.7%
NSE Nifty	-27%	71%	19%	-0.6%

15.8 Market Capitalisation:

(₹ in million)

Financial Year ended	BSE	NSE
31 March 2023	431,077.00	431,309.13
31 March 2022	353,455.20	353,308.40
31 March 2021	205,797.50	2,057,078.00
31 March 2020	110,453.60	110,392.19

15.9 List of top 10 shareholders as on 31 March 2023:

Financial Year ended	Total Shares	% To Equity
Mr. Inder T. Jaisinghani	18,873,976	12.60
Mr. Ajay T. Jaisinghani	17,870,747	11.93
Mr. Ramesh T. Jaisinghani	17,525,008	11.70
Mr. Girdhari T. Jaisinghani	14,736,283	9.84
Mr. Kunal Inder Jaisinghani	5,640,361	3.77
Mr. Bharat A. Jaisinghani	5,472,572	3.65
Mr. Nikhil R. Jaisinghani	5,332,472	3.56
Mr. Anil Hariram Hariani	4,752,195	3.17
Girdhari T. Jaisinghani (Girdhari Karina Trust)	2,000,100	1.34
Girdhari T. Jaisinghani (Girdhari Juhi Trust)	2,000,100	1.34
TOTAL	**94,203,814**	**62.90**

15.10 Shares held by KMP's as on 31 March 2023:

Name	Designation	Total Shares	% To Equity
Mr. Inder T. Jaisinghani	Chairman & Managing Director	18,873,976	12.60
Mr. Bharat A. Jaisinghani	Executive Director	5,472,572	3.65
Mr. Nikhil R. Jaisinghani	Executive Director	5,332,472	3.56
Mr. Rakesh Talati	Executive Director	21,005	0.01
Mr. Gandharv Tongia	Executive Director	31,810	0.02
Ms. Manita Carmen A. Gonsalves	Company Secretary & Head Legal	Nil	NA

15.11 Corporate benefits to Investors

Dividend declared in last 4 years:

Financial Year ended	Total Shares	Dividend per share
2021-22	29-06-2022	14
2020-21	21-07-2021	10
2019-20	03-03-2020	7
2018-19	26-06-2019	3

16. Usage of Electronic Payment Modes for Making Cash Payments to the Investors

SEBI, through its Circular No. CIR/MRD/DP/10/2013, dated 21 March 2013, has mandated the companies to use Reserve Bank of India (RBI) approved electronic payment modes, such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT and others to pay members in cash.

Recognizing the spirit of the circular issued by the SEBI, members whose shareholding is in the electronic mode are requested to promptly update the change in bank details with the Depository through their Depository Participant for receiving dividends through electronic payment modes.

Members who hold shares in physical form are requested to promptly update change in the bank details with the Company/ Registrar and Transfer Agents, KFin Technologies Limited (Unit: Polycab India Limited) for receiving dividends through electronic payment modes.

The Company had also sent reminders to encash unpaid/unclaimed Dividend as per records every year.

17. No-Disqualification Certificate from Company Secretary in Practice

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI or the Ministry of Corporate Affairs or any such Statutory Authority. A Certificate to this effect, duly signed by Dilip Bharadiya & Associates (FCS No.: 7956), Practicing Company Secretaries is annexed to this Report. Refer Page No. 207 of the Annual Report.

18. ESG Framework

As a responsible corporate citizen, our Company is acutely aware of its environmental and societal responsibilities. The Company firmly embraces the conviction that the integration and adherence to Environmental, Social, and Governance (ESG) principles within our business operations are paramount in fostering resilience, nurturing an inclusive culture, and generating enduring value for all stakeholders. Sustainability lies at the core of our business philosophy. The Company's sustainability strategy comprehensively addresses key ESG factors that exert significant influence over our business operations and stakeholders. The Company meticulously assess opportunities and risks, formulating both short-term and long-term strategies to ensure the sustainable growth of our organization.

This year signifies the commencement of a methodical endeavor towards ESG, as the Company forges ahead in crafting a resilient and enduring ESG framework that harmoniously aligns with international protocols and guidelines. The Company has identified its primary material topics, encompassing areas such as climate change and energy, health and safety, innovation, corporate governance, ethics and integrity, among others. These topics will serve as the foundation for the ESG our management's seamless integration of sustainability into our business practices. The Company continues to steadfast in its commitment to gauge and assess its performance against the ESG parameters, diligently striving to cultivate sustainable long-term value for all our stakeholders.

The ESG Framework encompasses the ESG philosophy, directives, governance structure, systems and evaluation.

ESG Philosophy is an excerpt from the Company's values being "Our focus on sustainable development reflects our commitment to be a caring and responsible enterprise."

ESG Directives include guiding principles, codes and policies for Environment, Social and Governance related aspects.

The Company, with an intent to strengthen the governance of ESG, had amended, adopted and implemented various policies which include:

(i) Investigation Policy aims at providing guidance for conducting investigations of complaints lodged with the Company. This policy ensures that employees who are subject to investigations are treated fairly and consistently.

(ii) Disciplinary Action Policy aims at establishing a positive conduct, taking corrective actions and provide direction for ensuring uniformity of action against complaints received and investigated.

(iii) Anti-Bribery Policy to ensure monitoring, prevention and detection of bribery and other corrupt business practices whilst promulgating zero tolerance policy for non-compliance.

(iv) Data Protection and Privacy Policy provides protection of the privacy of stakeholders related to their personal data. It further specifies purpose, flow and usage of personal data.

(v) Human Rights Policy aims at recognizing and protecting the dignity of all human beings. The policies framed are guided by the fundamental principles enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration").

(vi) Policy on Equal opportunity aims at recognising and providing equal opportunities in employment and creating an inclusive work environment. This policy aims at recognising and providing equal opportunities in employment and creating an inclusive work environment. The Company has formalized a fair, transparent and clear HR policy to promote and ensure equal opportunity.

(vii) Policy for Prevention of Fraud aims at safeguarding the financial viability and reputation through improved management of fraud risk and implementation of effective mitigation measures.

(viii) Conflict of Interest Policy aims to provide guidance in identifying and handling potential, actual and perceived conflicts of interest to conduct business with integrity, honesty, and ethical principles. This policy is established to facilitate the development of controls that will aid in the prevention and detection of fraud against the Company and reporting of any fraud that is detected or suspected and fair dealing of matters pertaining to fraud.

(ix) Occupational Health Safety and Environment (OHSE) Policy aims at safe working environment and achieving excellence in health and safety related aspects.

(x) Quality Policy aims to provide a framework for continuously measuring and improving quality performance.

(xi) Supplier Code of Conduct is a guidance note to the Suppliers to jointly improve and develop the sustainability performance in supply chain. It establishes clear expectations for suppliers to adhere to the standards mentioned herein and fully comply with applicable laws, rules and regulations and adhere to internationally recognised environmental, social and governance standards.

(xii) Other policies: POSH Policy, CSR Policy, Polycab Code of Conduct

ESG Governance Structure consists of the Board of Directors at the apex who define policies, procedures, roles and responsibilities, key material topics, and ESG targets to foster sustainable business practices in the Company. The next tier of the structure is the 'CSR & ESG Committee' of the Board. The Board has amended the terms of reference for the CSR & ESG Committee to encompass additional responsibilities. These include recommending ESG vision and goals on an ongoing basis, monitoring progress towards the stated vision and goals, and reviewing the performance of statutory obligations regarding Sustainability / ESG in compliance with applicable laws. The Board and its CSR & ESG Committee receives additional support from the ESG Council, which comprises Business/Function Heads and Senior Management. This council draws on experience of the "ESG Working Groups" that are established to ensure the implementation, monitoring, and reporting of ESG initiatives at the operational level.

The ESG Systems include standard operating procedures and training for effective and efficient implementation of the ESG Directives. While the expectations and requirements under ESG are expected to grow over time, it is imperative for the Company to consistently align its framework, systems, and governance to meet the growing demands of ESG. This necessitates regular evaluations and assurance of the Company's performance under these systems to ensure adequacy and keep pace with the evolving ESG landscape. This shall include consideration of both existing ESG issues as well as emerging areas of ESG risks and opportunities for the Company. The key material topics and targets thereunder have been mapped into individual key performance indicators of the Company under project 'Leap' and individual performance assessment.

As expectations and requirements surrounding ESG continue to evolve, role of the CSR & ESG Committee ("Committee") is to advise on the adequacy of the Company's ESG Framework, ESG Management Systems, and Governance of ESG matters, along with the Company's performance thereunder.

The Regulatory Framework of ESG Disclosures and Ratings is embedded within BRSR Core framework provided by SEBI in its Consultation paper. This framework establishes parameters, measurements and assurance approach for each attribute. The BRSR Core framework delineates a methodology that facilitates reporting by companies and corresponding verification of the reported data by assurance providers.

The Company has identified Key Material Topics for Goal Setting under each element of ESG include change in Green House Gas (GHG), environment and water footprint, embracing circularity related to waste management, enhancing employee wellbeing, training and safety, enabling gender diversity and inclusivity, ensuring fair business dealings with customers and suppliers, corporate social responsibility and governance as outlined in the governance framework.

19. Annual Secretarial Compliance Report

As required under Regulation 24A of the Listing Regulations, the Annual Secretarial Compliance Report dated 12 May 2023 issued by Dilip Bharadiya & Associates (FCS No.: 7956), Practicing Company Secretaries, Secretarial Auditors of the Company, was submitted with the Stock Exchanges on 12 May 2023 and is available on the website of the Company and can be accessed through weblink

20. Green Initiative

The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated 21 April 2011 and 29 April 2011, respectively, had allowed companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate Governance.

The Ministry of Corporate Affairs vide its circular dated 08 April 2020, 13 January 2021, 12 December 2021, 14 December 2021, 05 May 2022 and 28 December 2022 has allowed the Company to conduct their AGM through Video Conferencing or other Audio Visual Means. Hence, in order to ensure the effective participation, the members of the Company are requested to update their email address for receiving the link of e-AGM. Further, in accordance with the said circular, Notice convening the 27 Annual General Meeting, Audited Financial Statements, Board's Report, Auditor's Report and other documents are being sent to the email address provided by the shareholders with the relevant depositories. The shareholders are requested to update their email addresses with their depository participants to ensure that the Annual Report and other documents reaches on their registered email id's.

21. Declaration by the CEO on Code of Conduct as required by Schedule V of Listing Regulations

As required under Regulation 34(3) read with Part D of Schedule V of Listing Regulations, I hereby declare that all the Directors of the Board and Senior Management Personnel of the Company have affirmed, compliance with provisions of the applicable Code of Conduct of the Company during the financial year ended 31 March 2023.

For **Polycab India Limited**

Place: Mumbai
Date: 12 May 2023

Inder T Jaisinghani
Chairman and Managing Director

Certificate of Non-Disqualification of directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
POLYCAB INDIA LIMITED
Corporate Office:
Polycab India Ltd.
#29, "The Ruby", 21st Floor,
Senapati Bapat Marg, Tulsi Pipe Road, Dadar West,
Mumbai – 400 028

This Certificate is being issued to the Members of Polycab India Limited, bearing Corporate Identity Number (CIN) - L31300GJ1996PLC114183, having its registered office address at Unit 4, Plot No 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal Panch Mahals, Gujarat – 389 350 ("the Company") in terms of Regulation 34(3) read with Schedule V para C Clause 10(i) of the Securities Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We believe it is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act and SEBI Listing Regulations.

We have examined the documents and disclosures provided by the following Directors in electronic mode, for the purpose of issuing this Certificate, in accordance with the requirements under the Companies Act, 2013 ("Act") and the SEBI Listing Regulations.

Based on our examination of relevant documents made available to us by the Company and such other verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] carried out by us as deemed necessary and adequate, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we certify that as on date of this certificate, none of the directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Directors of the Company

Sr. No.	Name of the Director	DIN	Date of Appointment	Date of Cessation
1.	Inder T. Jaisinghani	00309108	20/12/1997	-
2.	Bharat A. Jaisinghani	00742995	13/05/2021	-
3.	Nikhil R. Jaisinghani	00742771	13/05/2021	-
4.	Rakesh Talati	08591299	13/05/2021	-
5.	Gandharv Tongia	09038711	19/01/2023	-
6.	T. P. Ostwal	00821268	20/09/2018	-
7.	R. S. Sharma	00013208	20/09/2018	-
8.	Pradeep Poddar	00025199	20/09/2018	-
9.	Sutapa Banerjee	02844650	13/05/2021	-
10.	Manju Agarwal	06921105	19/01/2023	-

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dilip Bharadiya & Associates**

Dilip Bharadiya
Partner
FCS No.: 7956, C P No.: 6740
UDIN: F007956E000297652

Place: London
Date: 12 May 2023

CEO / CFO Certificate

To
The Board of Directors
Polycab India Limited

Sub: Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

1. We have reviewed the Financial Statements and the Cash Flow Statement of Polycab India Limited (the 'Company') for the year ended March 31, 2023 and to the best of our knowledge and belief:

    a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

    b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee that:

    a. there are no significant changes in internal control over financial reporting during the year;

    b. there are no significant changes in accounting policies during the year; and

    c. there are no instances of fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Polycab India Limited**

Place: Mumbai
Date: 12 May 2023

Inder T. Jaisinghani
Chairman & Managing Director

Gandharv Tongia
Executive Director & Chief Financial Officer

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of
Polycab India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 23 July 2019 and addendum to the engagement letter dated 13 July 2022.

2. We have examined the compliance of conditions of Corporate Governance by Polycab India Limited ("the Company"), for the year ended 31 March 2023, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2023.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), n so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070
UDIN: 23042070BGYGLU9885

Place: Mumbai
Date: 12 May 2023

Consolidated Independent Auditor's Report

for the year ended 31 March 2023

To the Members of
Polycab India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Polycab India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition - Wires and Cables and Fast-Moving Electrical Goods (FMEG) business

See Note 24 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Based on its business model in Wires and FMEG business, the Group has many different types of terms of delivery arising from different types of performance obligations with its customers. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each contract regarding timing of revenue recognition. Inappropriate assessment could lead to risk of revenue getting recognised before control has been transferred. Accordingly, timing of recognition of revenue is a key audit matter.	Our audit procedures over the recognition of revenue included the following: • We assessed the compliance of the Group's revenue recognition accounting policies against the requirements of Indian Accounting Standards ("Ind AS") to identify any inappropriate policy; • We tested the design, implementation and operating effectiveness of key internal financial controls and processes for revenue recognition along with effectiveness of information technology controls built in automated processes; • On a sample basis, we tested revenue transactions recorded during the year, by verifying the underlying documents, including invoices and shipping documents for assessment of fulfillment of performance obligations completed during the year; We analysed the timing of recognition of revenue and any unusual contractual terms; • On a sample basis, we tested the invoice and shipping documents for revenue transactions recorded during the period closer to the year end and subsequent to the year end to verify recognition of revenue in the correct period. • We assessed the adequacy of disclosures in the consolidated financial statements against the requirement of Ind AS 115, Revenue from contracts with customers.

Inventory Valuation

See Note 14 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
• Copper and aluminum-based inventory forms a significant part of the Group's inventory for which the Group enters into commodity contracts. The Group takes a structured approach to the identification, quantification and hedging of risk of fluctuations in prices of copper and aluminum by using derivatives in commodities. • Inventories are measured at the lower of cost and net realizable value on first in first out basis, except for inventories qualifying as hedged items in a fair value hedge relationship. These inventories are measured at cost, adjusted for the hedging gain or loss on the hedged item. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	Our audit procedures over inventory valuation included the following: • We tested the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory, accounting of derivative and hedging transactions; • On a sample basis, tested the accuracy of cost for inventory by verifying the actual purchase cost. Tested the net realizable value by comparing actual cost with most recent retail price; • On a sample basis, tested the hedging relationship of eligible hedging instruments and hedged items; • We used the work of our internal subject matter experts for assistance in verifying hedge effectiveness requirements of Ind AS 109, including the economic relationship between the hedged item and the hedging instrument; • We assessed and tested adequacy and completeness of the Group's disclosures in the Consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of each company.

Consolidated Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of nine subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹3,034.48 million as at 31 March 2023, total revenues (before consolidation adjustments) of ₹3,948.79 million and net cash flows (before consolidation adjustments) amounting to ₹328.92 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss and other comprehensive loss of ₹92.63 million for the year ended 31 March 2023, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and it's joint venture. Refer Note 36 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 21 to the consolidated financial statements in respect of such items as it relates to the Group and it's joint venture.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture company incorporated in India during the year ended 31 March 2023.

Consolidated Independent Auditor's Report

d. (i) The management of the Holding Company, its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, as disclosed in the Note 10(E) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and joint venture company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and joint venture company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company, its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, as disclosed in the Note 10(E) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and joint venture company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 15(f) to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies and joint venture company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint venture company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and joint venture company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and joint venture company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLT6406

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Polycab India Limited

for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have certain remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Polycab India Limited	U31300MH199 8PTC114308	Holding Company	(i)(c)
2	Techno Electromech Private Limited	U31901GJ2011 PTC063797	Joint Venture	(i)(c)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLT6406

Place: Mumbai
Date: 12 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Polycab India Limited

for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Polycab India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and joint venture company, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and joint venture company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and joint venture company in terms of their reports referred to in the other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to seven subsidiary companies and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLT6406

Place: Mumbai
Date: 12 May 2023

Consolidated Balance Sheet

as at 31 March 2023

(₹ million)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	20,104.28	16,170.25
Capital work-in-progress	3	2,507.67	3,754.50
Right of use assets	4	361.82	351.36
Other intangible assets	5	157.08	183.40
Goodwill	6	46.22	46.22
Financial assets			
(a) Investment accounted for using the equity method	6A	-	92.63
(b) Trade receivables	7	526.37	799.31
(c) Other financial assets	11A	70.40	166.52
Non-current tax assets (net)	12D	251.89	479.46
Deferred tax assets (net)	12F	13.45	0.09
Other non-current assets	13A	1,128.09	663.96
		25,167.27	**22,707.70**
Current assets			
Inventories	14	29,513.84	21,996.47
Financial assets			
(a) Investments	6B	13,504.95	7,640.51
(b) Trade receivables	7	12,465.96	12,963.94
(c) Cash and cash equivalents	8	1,527.52	1,216.91
(d) Bank balance other than cash and cash equivalents	9	5,424.91	2,854.27
(e) Loans	10	103.47	126.80
(f) Other financial assets	11B	295.91	409.45
Other current assets	13B	6,250.93	4,203.01
		69,087.49	**51,411.36**
Total assets		**94,254.76**	**74,119.06**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,497.65	1,494.43
(b) Other equity	16	64,813.72	53,942.98
		66,311.37	**55,437.41**
Non-controlling interests	17	373.77	250.70
		66,685.14	**55,688.11**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	18A	42.08	29.74
(b) Lease liabilities	19A	224.33	244.76
Provisions	23A	449.74	264.27
Deferred tax liabilities (net)	12F	422.68	271.84
Other non-current liabilities	22A	165.18	207.05
		1,304.01	**1,017.66**
Current liabilities			
Financial liabilities			
(a) Borrowings	18B	1,509.35	801.61
(b) Lease liabilities	19B	138.96	105.37
(c) Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		732.45	588.24
Total outstanding dues of creditors other than micro enterprises and small enterprises		19,593.99	11,587.06
(d) Other financial liabilities	21	856.66	686.10
Other current liabilities	22B	2,817.76	3,231.59
Provisions	23B	267.57	253.80
Current tax liabilities (net)	12D	348.87	159.52
		26,265.61	**17,413.29**
Total equity and liabilities		**94,254.76**	**74,119.06**
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	36		
Other notes to accounts	37 to 49		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Manita Gonsalves
Company Secretary
Membership No. A18321

Place: Mumbai
Date: 12 May 2023

Place: Mumbai
Date: 12 May 2023

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(₹ million)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	24	141,077.78	122,037.61
Other income	25	1,333.26	899.23
Total income		**142,411.04**	**122,936.84**
EXPENSES			
Cost of materials consumed	26	97,711.55	92,042.53
Purchases of stock-in-trade	27	5,699.12	6,427.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	346.76	(4,927.51)
Project bought outs and subcontracting cost	29	1,351.53	1,114.72
Employee benefits expense	30	4,567.72	4,066.28
Finance costs	31	597.57	351.90
Depreciation and amortisation expense	32	2,091.64	2,015.19
Other expenses	33	12,879.96	10,662.58
Total expenses		**125,245.85**	**111,752.71**
Profit before share of profit/(loss) of joint venture		**17,165.19**	**11,184.13**
Share of loss of joint venture (net of tax) (refer note 6A(ii))		(92.63)	(25.55)
Profit before tax		**17,072.56**	**11,158.58**
Tax expenses	12		
Current tax		4,121.20	2,809.27
Deferred tax charge/ (credit)		128.83	(103.00)
Total tax expenses		**4,250.03**	**2,706.27**
Profit for the year from continuing operations		**12,822.53**	**8,452.31**
Profit before tax from discontinued operations	35	-	136.03
Gain on disposal of discontinued operations	35	-	817.22
Tax expense on discontinued operations	35	-	(232.72)
Profit for the year from discontinued operations		**-**	**720.53**
Profit for the year		**12,822.53**	**9,172.84**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	30	35.05	16.48
Tax relating to items that will not be reclassified to Profit or Loss	12	(8.81)	(4.74)
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		7.88	(12.16)
Effective portion of (losses) / gains on hedging instrument in cash flow hedges		(0.58)	0.58
Tax relating to items that will be reclassified to Profit or Loss	12	0.15	(0.15)
Other comprehensive income for the year, net of tax		**33.69**	**0.01**
Total comprehensive income for the year, net of tax		**12,856.22**	**9,172.85**
Profit from continuing operations for the year attributable to:			
Equity shareholders of parent company		12,699.50	8,365.24
Non controlling interests		123.03	87.07
		12,822.53	**8,452.31**
Profit from discontinued operations for the year attributable to:			
Equity shareholders of parent company		-	720.53
Non controlling interests		-	-
		-	**720.53**
Other comprehensive Income attributable to:			
Equity shareholders of parent company		33.65	0.05
Non controlling interests		0.04	(0.04)
		33.69	**0.01**
Total comprehensive Income attributable to:			
Equity shareholders of parent company		12,733.15	9,085.82
Non controlling interests		123.07	87.03
		12,856.22	**9,172.85**
Earnings per share	34		
Continuing Operations			
Basic (Face value ₹10 each)		84.87	56.04
Diluted (Face value ₹10 each)		84.61	55.80
Discontinuing Operations			
Basic (Face value ₹10 each)		-	4.83
Diluted (Face value ₹10 each)		-	4.81
Continuing Operations and Discontinuing Operations			
Basic (Face value ₹10 each)		84.87	60.87
Diluted (Face value ₹10 each)		84.61	60.60
Weighted average equity shares used in computing earnings per equity share			
Basic		149,631,506	149,268,712
Diluted		150,099,705	149,923,144
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	36		
Other notes to accounts	37 to 49		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Manita Gonsalves
Company Secretary
Membership No. A18321

Place: Mumbai
Date: 12 May 2023

Place: Mumbai
Date: 12 May 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

A) Equity Share Capital

(₹ million)

	31 March 2023	31 March 2022
Balance at the beginning of the year	1,494.43	1,491.19
Issue of equity shares on exercise of employee stock options	3.22	3.24
Balance at the end of the year	**1,497.65**	**1,494.43**

B) Other Equity

(₹ million)

	Attributable to owners of the Company								Attributable to Non Controlling Interest	Total Other Equity
	Share application money pending allotment	Reserves & Surplus				Effective portion of Cash Flow Hedges	Foreign Currency translation reserve	Total attributable to owners of the Company		
		Securities Premium	General Reserve	ESOP outstanding	Retained Earnings					
As at 1 April 2021	**4.96**	**7,318.10**	**614.00**	**286.92**	**37,824.28**	**-**	**(0.05)**	**46,048.21**	**188.29**	**46,236.50**
Profit after tax for the year ended	-	-	-	-	8,365.24	-	-	8,365.24	87.07	8,452.31
Profit after tax from discontinued operations for the year ended	-	-	-	-	720.53	-	-	720.53	-	720.53
Items of OCI for the year ended, net of tax										
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	11.74	-	-	11.74	(0.04)	11.70
Exchange difference on translation of foreign operations	-	-	-	-	-	-	(12.16)	(12.16)	-	(12.16)
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	-	-	-	-	-	0.43	-	0.43	-	0.43
Share-based payments to employees	-	-	-	167.84	-	-	-	167.84	-	167.84
Exercise of employee stock option	110.22	-	-	(110.22)	-	-	-	-	-	-
Amount received on exercise of employee stock options	132.88	-	-	-	-	-	-	132.88	-	132.88
Acquisition of non-controlling interest		-	-	-	3.10	-	-	3.10	(24.87)	(21.77)
Transfer on account of employee stock options not exercised			1.00	(1.00)		-	-	-	-	-
Issue of equity shares on exercise of employee stock options	(240.08)	236.85	-	-	-	-	-	(3.23)	-	(3.23)
Final equity dividend	-	-	-	-	(1,491.60)	-	-	(1,491.60)	-	(1,491.60)
Shares Issued during the year	-	-	-	-	-	-	-	-	0.25	0.25
As at 31 March 2022	**7.98**	**7,554.95**	**615.00**	**343.54**	**45,433.29**	**0.43**	**(12.21)**	**53,942.98**	**250.70**	**54,193.68**
Profit after tax for the year ended	-	-	-	-	12,699.50	-	-	12,699.50	123.03	12,822.53
Items of OCI for the year ended, net of tax										
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	26.24	-	-	26.24	0.04	26.28
Exchange difference on translation of foreign operations	-	-	-	-	-	-	7.88	7.88	-	7.88
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	-	-	-	-	-	(0.43)	-	(0.43)	-	(0.43)
Final equity dividend	-	-	-	-	(2,094.49)	-	-	(2,094.49)	-	(2,094.49)
Share-based payments to employees	-	-	-	107.61	-	-	-	107.61	-	107.61
Exercise of employee stock option	137.98	-	-	(137.98)	-	-	-	-	-	-
Amount received on exercise of employee stock options	127.65	-	-	-	-	-	-	127.65	-	127.65
Issue of equity shares on exercise of employee stock options	(270.83)	267.61	-	-	-	-	-	(3.22)	-	(3.22)
As at 31 March 2023	**2.78**	**7,822.56**	**615.00**	**313.17**	**56,064.54**	**-**	**(4.33)**	**64,813.72**	**373.77**	**65,187.49**

Refer note 16 for nature and purpose of reserves.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 12 May 2023

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Consolidated Statement of Cash Flows

for the year ended 31 March 2023

Accounting policy

Cashflows are reported using the indirect method as set out in Ind AS 7, 'Statement of Cash Flows', whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Group are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage (Refer Note-8).

For the purposes of cash flow statement, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(₹ million)

		Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash Flows From Operating Activities**		
	Profit before tax from continued operations	**17,072.56**	**11,158.58**
	Profit before tax from discontinued operations	**-**	**953.25**
	Adjustments for:		
	Share of loss of joint ventures	92.63	25.55
	Gain on disposal of discontinued operations	-	(817.22)
	Depreciation and amortisation expense (Includes discontinuing operations)	2,091.64	2,088.06
	(Gain)/Loss on disposal of property, plant and equipment	(97.88)	11.83
	Gain on termination of lease	(3.29)	(5.79)
	Interest income	(295.06)	(269.30)
	Gain on redemption of investment	(614.32)	(224.10)
	Fair valuation Mark-To-Market ('MTM') of investment	(36.83)	(3.52)
	Finance cost	597.57	351.90
	Employees share based payment expenses	107.61	161.16
	(Gain)/Loss on fair valuation of financial assets	(30.02)	85.72
	Liabilities / provisions no longer required written off / (written back)	0.04	(12.64)
	Impairment allowance for trade receivable considered doubtful	(31.16)	(150.04)
	Loss on unrealised foreign exchange	179.78	31.74
	Sundry balances written-off	3.77	44.59
	Operating profit before working capital changes	**19,037.04**	**13,429.77**
	Movements in working capital:		
	Decrease in trade receivables	849.59	1,212.72
	Increase in inventories (net)	(7,517.37)	(2,202.75)
	Decrease/(Increase) in financial assets	119.84	(179.76)
	Increase in non-financial assets (including contract assets)	(2,228.97)	(2,595.15)
	Increase/(Decrease) in trade payables	7,979.62	(281.65)
	Decrease in financial liabilities	(38.89)	(957.37)
	Increase in provisions	234.33	47.82
	Decrease in non-financial liabilities (including contract liabilities)	(455.70)	(17.96)
	Cash generated from operations	**17,979.49**	**8,455.67**
	Income tax paid (net of refunds)	(3,704.28)	(3,339.56)
	Net cash generated from operating activities (A)	**14,275.21**	**5,116.11**
B.	**Cash Flows From Investing Activities**		
	Purchase of property, plant and equipment (including CWIP)	(4,774.48)	(5,265.23)
	Purchase of other intangible assets	(20.05)	(1.70)
	Proceeds from sale of property, plant and equipment	210.35	66.90
	Investment in mutual funds	(96,467.28)	(92,681.54)
	Proceeds from sale of mutual funds	91,253.99	91,499.92
	Bank deposits placed	(4,942.03)	(4,070.46)
	Bank deposits matured	2,489.88	4,606.81
	Investment made in equity shares of subsidiaries	(0.00)	(117.11)
	Proceeds from /(payment on) sale of discontinued operations (net)	-	1,464.85
	Loan given to related parties	-	15.21
	Loan repaid by/(given to) employees	4.29	(0.31)
	Loan repaid by/(given to) supplier	19.04	(19.04)
	Interest received	199.83	232.19
	Net cash used in investing activities (B)	**(12,026.46)**	**(4,269.51)**

Consolidated Statement of Cash Flows Contd.

for the year ended 31 March 2023

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
C. Cash Flows From Financing Activities		
Amount received on exercise of employee stock options	127.65	132.88
Payment of principal portion of lease liabilities	(126.84)	(137.66)
Payment of interest on lease liabilities	(32.85)	(33.02)
Repayment of long term borrowings	(37.50)	(141.09)
Proceeds from long term borrowings	40.10	-
Proceeds/(Repayment) of short term borrowings	329.07	(27.08)
Interest and other finance cost paid	(475.86)	(309.33)
Payment of dividends	(2,094.49)	(1,491.60)
Net cash used in financing activities (C)	**(2,270.72)**	**(2,006.90)**
Net decrease in cash and cash equivalents (A+B+C)	**(21.97)**	**(1,160.30)**
Cash and cash equivalents at the beginning of the year	1,216.89	2,377.19
Cash and cash equivalents at end of the year (Refer below note (i))	**1,194.92**	**1,216.89**
Supplementary Information		
(a) Cash Transactions from operating activities:		
Spent towards Corporate Social Responsibility	228.58	194.00
(b) Non-Cash Transactions from Investing and Financing Activities:		
Acquisition of property, plant and equipment by means of Government Grant	129.18	57.07
(c) Acquisition of right of use assets	173.44	194.23
(d) Termination of right of use assets	138.38	178.33

(₹ million)

Note:		Year ended 31 March 2023	Year ended 31 March 2022
(i) Cash and cash equivalents comprises of			
Balances with banks			
In current accounts		1,137.41	1,048.72
Deposits with original maturity of less than 3 months		387.53	167.04
Cash in hand		2.58	1.15
Cash and cash equivalents		**1,527.52**	**1,216.91**
Cash Credit from banks		(332.60)	(0.02)
Cash and cash equivalents in Cash Flow Statement		**1,194.92**	**1,216.89**
Net debt reconciliation		Refer note no. 18	
Net lease liabilities reconciliation		Refer note no. 4	
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	36		
Other notes to accounts	37 to 49		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 12 May 2023

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

1. Corporate information

Polycab India Limited (the "Company") (CIN - L31300GJ1996PLC114183) was incorporated as 'Polycab Wires Private Limited' on 10 January 1996 at Mumbai as a private limited company under the Companies Act, 1956. The Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word 'private' was struck off from the name of the Company with effect from 30 June 2000. Thereafter, the Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word 'private' was added in the name of the Company with effect from 15 June 2001. Subsequently, the Company was converted into a public limited company, the word 'private' was struck off from the name of the Company and consequently, a fresh certificate of incorporation dated 29 August 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("ROC"), recording the change of the Company's name to 'Polycab Wires Limited'. Thereafter, the name of the Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited', and a fresh certificate of incorporation dated 13 October 2018 was issued by the ROC. The Consolidated Financial Statements relates to Polycab India Limited ('the Parent Company') along with its subsidiaries and joint ventures (collectively referred to as 'the Group').

The registered office of the Parent Company is Unit 4, Plot Number 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat 389350.

The Group is the largest manufacturer of Wires and Cables in India and fast growing player in the Fast Moving Electrical Goods (FMEG) space. The Group is also in the business of Engineering, Procurement and Construction (EPC) projects. The Group owns 25 manufacturing facilities, located across the states of Gujarat, Maharashtra, Uttarakhand, Tamil Nadu and U.T. Daman.

The Board of Directors approved the Consolidated Financial Statements for the year ended 31 March 2023 and authorised for issue on 12 May 2023.

2. Summary of significant accounting policies

A) Basis of preparation

i. Statement of Compliance:

The Group prepares its Consolidated Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013, (Ind AS compliant Schedule III). These Consolidated financial statements includes Balance Sheet as at 31 March 2023, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended 31 March 2023, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

ii. Basis of Measurement:

The financial statements for the year ended 31 March 2023 have been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value or amortised cost at the end of each reporting period:

(a) Derivative financial instruments (Refer note 40 for accounting policy regarding financial instruments)

(b) Certain financial assets and liabilities (Refer note 40 for accounting policy regarding financial instruments)

(c) Net defined benefit plan (Refer note 30 for accounting policy)

(d) Share Based Payments (Refer note 30 for accounting policy)

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received from sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies and methods of computation followed in the financial statements are same as compared with the

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

annual financial statements for the year ended 31 March 2022, except for adoption of new standard or any pronouncements effective from 1 April 2022.

The Group presents an additional balance sheet at the beginning of the earliest comparative period when: it applies an accounting policy retrospectively; it makes a retrospective restatement of items in its financial statements; or, when it reclassifies items in its financial statements, and the change has a material effect on the financial statements.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

iii. Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent Company along with its subsidiaries and joint ventures as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

(b) Exposure, or rights, to variable returns from its involvement with the investee and

(c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) The contractual arrangement with the other vote holders of the investee

(b) Rights arising from other contractual arrangements

(c) The Group's voting rights and potential voting rights

(d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made if amount is material to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The financial statements of Group entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2023. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Subsidiaries

Group combines like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

(b) Joint Ventures

A joint venture is a type of a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the consolidated statement of profit or loss.

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(c) Foreign currency translation

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the Separate Financial Statements of the reporting entity or the individual Financial Statements of the foreign operation, as appropriate. In the Financial Statements that include the foreign operation and the reporting entity such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or the statement of profit and loss are also recognised in OCI or the Statement of Profit and Loss, respectively).

Group companies

The consolidated financial statements are presented in Indian Rupee, which is the Parent Company's functional and presentation currency and includes the financial position and results in respect of foreign operations, initially measured using the currency of the primary economic environment in which the entity operates (i.e their functional currency). On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for Consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Foreign operations

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group and its joint ventures, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

iv. Classification of Current / Non-Current Assets and Liabilities:

The Group presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the Group's normal operating cycle, as per para 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Each entity of the Group has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle

(b) Held primarily for the purpose of trading;

(c) Expected to be realised within twelve months after the reporting period; or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

All other assets are classified as non-current.

A liability is treated as current when:

(a) It is expected to be settled in normal operating cycle;

(b) It is held primarily for the purpose of trading;

(c) It is due to be settled within twelve months after the reporting period; or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

v. Functional and Presentation Currency:

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Parent Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest million up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

B) Use of estimates and judgements

In the course of applying the policies outlined in all notes, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The Group uses the following critical accounting estimates in preparation of its financial statements:

i Revenue Recognition:

The Group applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sales transactions. In certain non-standard contracts, where the Group provides extended warranties in respect of sale of consumer durable goods, the Group allocated the portion of the transaction price to goods based on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In respect of long term contracts significant judgments are used in:

(a) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

(b) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

ii. Cost to complete for long term contracts

The Group's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks facing the Group and developing and implementing initiative to manage those risks. the Group's Management is confident that the costs to complete the project are fairly estimated.

iii. Useful life of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

iv. Impairment of investments in joint-venture

Determining whether the investments in joint venture is impaired requires an estimate in the value in use of investments. The Group reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

v. Provisions

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

vi. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

vii. Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 40 for accounting policy on Fair value measurement of financial instruments).

viii. Foreign Currency Transactions / Translations

Transactions in currencies other than Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the date of transaction. At the end of the reporting period, monetary items denominated in foreign currencies are reported using the exchange rate prevailing as at reporting date. Non-monetary items denominated in foreign currencies which are carried in terms of historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at the exchange rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

ix. Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

x. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating-unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds it recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

The Group estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

xi. Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

xii. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

C) Changes in significant accounting policies

The Group has not been required to apply any new standard, interpretation or amendment that has been issued and therefore there were no significant changes in the accounting policies.

D) New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2022.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022, to amend the following Ind AS which are effective from 01 April 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the entity cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period. The Group did not have any significant impact on the consolidated financial statements due to this amendment.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to Ind AS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Group applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the year.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the year.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

E) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its consolidated financial statements.

F) The significant accounting policies used in preparation of the consolidated financial statements have been discussed in the respective notes.

3. Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost, net of accumulated depreciation (other than freehold land) and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capitalisation of costs in the carrying amount of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the Group. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Group are recognised in the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period in which such expenses are incurred. No impact of exchange gain / loss arising on the translation of the financial statements from the foreign currency into INR.

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further benefit is expected from its use and disposal.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising on disposal of property, plant and equipment is recognised in the Statement of Profit and Loss. Once the assets classified as held-for-sale, property, plant and equipment are no longer depreciated.

Depreciation on Property, plant and equipment's is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	
Buildings	30-60 years
Plant and equipments	3-15 years
Electrical installations	10 years
Furniture and fixtures	10 years
Office equipments	3-6 years
Windmill	22 years
Vehicles	8-10 years
Leasehold land and improvements	Lower of useful life of the asset or lease term

In case of certain class of assets, the group uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Group uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the respective asset. Borrowing cost incurred for constructed assets is capitalised up to the date by which asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. All other borrowing costs are expensed in the period they occur.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2023 are as follows:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work-in-Progress
Gross carrying value (at cost)											
As at 01 April 2022	1,098.98	9,124.07	13,439.50	1,043.47	208.59	464.95	295.04	55.87	5.76	25,736.23	3,754.50
Additions	18.47	3,539.30	1,937.83	177.45	94.36	181.91	-	9.49	0.12	5,958.93	3,948.42
Transfer	-	-	5.58	-	-	(0.64)	-	(7.99)	-	(3.05)	(5,195.25)
Disposals/Adjustments	(26.21)	(82.85)	(103.57)	-	-	(8.70)	-	(9.36)	-	(230.69)	-
As at 31 March 2023	**1,091.24**	**12,580.52**	**15,279.34**	**1,220.92**	**302.95**	**637.52**	**295.04**	**48.01**	**5.88**	**31,461.42**	**2,507.67**
Accumulated depreciation											
As at 01 April 2022	-	1,643.03	7,026.79	408.27	91.41	257.57	110.02	25.94	2.96	9,565.99	-
Depreciation charge for the year	-	338.91	1,375.30	90.19	19.03	67.15	15.72	5.53	0.61	1,912.44	-
Disposals/Adjustment	-	(10.45)	(92.19)	-	-	(8.70)	-	(9.95)	-	(121.29)	-
As at 31 March 2023	**-**	**1,971.49**	**8,309.90**	**498.46**	**110.44**	**316.02**	**125.74**	**21.52**	**3.57**	**11,357.14**	**-**
Net carrying value											
As at 31 March 2023	**1,091.24**	**10,609.03**	**6,969.44**	**722.46**	**192.51**	**321.50**	**169.30**	**26.49**	**2.31**	**20,104.28**	**2,507.67**

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2022 are as follows:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work-in-Progress
Gross carrying value (at cost)											
As at 01 April 2021	1,321.15	9,211.29	13,851.23	899.20	215.02	386.59	295.04	102.68	3.44	26,285.64	990.50
Additions on account of acquisition through business combination (refer note 6)	-	-	-	-	0.73	3.25	-	-	-	3.98	-
Additions	70.76	630.64	1,358.05	240.44	17.82	122.37	-	6.33	2.32	2,448.73	4,737.23
Transfer	-	-	-	-	-	-	-	-	-	-	(1,937.38)
Transferred to discontinued operation	(292.93)	(716.17)	(1,665.57)	(96.17)	(23.70)	(42.56)	-	(4.18)	-	(2,841.27)	(31.76)
Disposals/Adjustments	-	(1.69)	(104.21)	-	(1.28)	(4.70)	-	(48.96)	-	(160.84)	(4.09)
As at 31 March 2022	**1,098.98**	**9,124.07**	**13,439.50**	**1,043.47**	**208.59**	**464.95**	**295.04**	**55.87**	**5.76**	**25,736.24**	**3,754.50**
Accumulated depreciation											
As at 01 April 2021	-	1,374.57	5,866.31	346.64	77.87	219.70	94.30	42.52	2.56	8,024.47	-
Additions on account of acquisition through business combination	-	-	-	-	0.54	3.08	-	-	-	3.62	-
Depreciation charge for the year*	-	343.56	1,364.60	84.93	19.48	59.54	17.11	8.87	0.40	1,898.49	-
Transferred to discontinued operation	-	(74.84)	(152.10)	(23.30)	(5.85)	(20.33)	(1.38)	(0.67)	-	(278.47)	-
Disposals/Adjustment	-	(0.26)	(52.02)	-	(0.64)	(4.41)	-	(24.78)	-	(82.11)	-
As at 31 March 2022	**-**	**1,643.03**	**7,026.79**	**408.27**	**91.41**	**257.57**	**110.02**	**25.94**	**2.96**	**9,565.99**	**-**
Net carrying value											
As at 31 March 2022	**1,098.98**	**7,481.04**	**6,412.71**	**635.20**	**117.19**	**207.37**	**185.02**	**29.93**	**2.80**	**16,170.25**	**3,754.50**

* Includes depreciation on continuing operations and discontinuing operations.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

Notes:

(a) Capital Work-in-Progress includes machinery in transit ₹193.97 million (31 March 2022: ₹ Nil).

(b) All property, plant and equipment are held in the name of the Group, except which are shown below:

As at 31 March 2023

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Freehold land- Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

As at 31 March 2022

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Freehold land- Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

(c) Title deed is in dispute for freehold land amounting to ₹10.48 million (31 March 2022: ₹10.48 million) and is pending resolution with government authority at Gujarat.

(d) CWIP aging schedule as at 31 March 2023

(₹ million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	958.33	174.44	19.73	70.71	1,223.20
FMEG Projects	575.89	86.44	2.34	-	664.67
Backward Integration Projects	224.27	235.07	-	20.30	479.65
Other Projects	125.43	9.71	3.50	1.51	140.15
	1,883.92	**505.66**	**25.57**	**92.53**	**2,507.67**

CWIP aging schedule as at 31 March 2022

(₹ million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	461.90	38.97	79.69	13.64	594.20
FMEG Projects	620.77	73.24	-	-	694.01
Backward Integration Projects	286.87	102.84	7.75	-	397.46
Other Projects	2,063.81	3.50	-	1.52	2,068.83
	3,433.35	**218.55**	**87.44**	**15.16**	**3,754.50**

For the purpose of this disclosure, the Group has identified project as the smallest group of assets having a common intended use.

(e) Direct capitalisation of Property, Plant and equipments during the year are given as under:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Leasehold improvements	Total
FY 2022-23	18.47	432.03	223.36	8.27	22.47	49.57	-	9.49	-	763.67
FY 2021-22	70.75	-	384.27	10.84	10.35	26.49	-	6.33	2.32	511.35

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

(f) CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan: Nil (31 March 2022 : Nil)

(g) Assets pledged and hypothecated against borrowings:

Refer note 18

(h) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(i) For capital expenditures contracted but not incurred - Refer note 36(B).

4. Right of use assets

Accounting policy

i. The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except leases with a term of twelve months or less (short-term leases), variable lease and leases with low value assets. For these short-term, variable lease and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

ii. The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

iii. Finance lease

The Group has entered into land lease arrangement at various locations. Terms of such lease ranges from 30-90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Group has classified leasehold land as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Accordingly, an amount of ₹41.78 million has been reclassified from property, plant and equipment to right-of-use assets in financial year 2019-20.

iv. Others

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognise right-of-use assets and liabilities for short-term leases, variable lease and leases of low value assets.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) The effective interest rate for lease liabilities is 9.0% p.a., with maturity between financial year 2022-2030.

Following are the changes in the carrying value of right of use for the year ended 31 March 2023

(₹ million)

	Category of ROU asset		Total
	Leasehold Land	Buildings	
Gross carrying value			
As at 01 April 2022	41.74	486.50	528.24
Additions	-	173.44	173.44
Disposals	-	(138.38)	(138.38)
As at 31 March 2023	41.74	521.56	563.30
Accumulated depreciation			
As at 01 April 2022	1.42	175.46	176.88
Depreciation charge for the year	0.54	132.29	132.83
Disposals	-	(108.23)	(108.23)
As at 31 March 2023	1.96	199.52	201.48
Net carrying value			
As at 31 March 2023	39.78	322.04	361.82

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

(₹ million)

	Category of ROU asset		Total
	Leasehold Land	Buildings	
Gross carrying value			
As at 01 April 2021	41.78	470.56	512.34
Additions	-	194.23	194.23
Disposals	(0.04)	(178.29)	(178.33)
As at 31 March 2022	41.74	486.50	528.24
Accumulated depreciation			
As at 01 April 2021	0.91	170.43	171.34
Depreciation charge for the year	0.51	147.02	147.53
Disposals	-	(141.99)	(141.99)
As at 31 March 2022	1.42	175.46	176.88
Net carrying value			
As at 31 March 2022	40.32	311.04	351.36

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Non-current lease liabilities	224.33	244.76
Current lease liabilities	138.96	105.37
	363.29	350.13

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

The following is the movement in lease liabilities for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Balance at the beginning of the year	350.13	338.17
Additions	169.53	190.98
Finance cost incurred during the year	32.85	33.02
Deletions	(29.53)	(41.36)
Payment of lease liabilities	(159.69)	(170.68)
	363.29	**350.13**

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

(₹ million)

	31 March 2023	31 March 2022
Less than one year	164.77	148.93
One to five years	249.43	270.87
More than five years	7.56	40.30
	421.76	**460.10**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

(₹ million)

	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	132.83	147.53
Interest expense on lease liabilities	32.86	33.02
Interest income on fair value of security deposit	(2.64)	(2.65)
Expense relating to short-term leases (included in other expenses)	43.15	55.28
Expense relating to leases of low-value assets (included in other expenses)	7.69	6.46
Variable lease payments (included in other expenses)	6.25	4.92
	220.14	**244.56**

Lease contracts entered by the Group majorly pertains for warehouse taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

The Group had total cash outflows for leases of ₹159.69 million in 31 March 2023 (₹170.68 million in 31 March 2022).

Group as a lessor

Future undiscounted minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

(₹ million)

	31 March 2023	31 March 2022
Less than one year	16.17	17.26
One to five years	9.12	15.42
	25.29	**32.68**

5. Other intangible assets

Accounting policy

i. Other intangible assets acquired separately

Other intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation on other intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life
Computer software	3 year

The residual values, useful lives and methods of amortisation of Other intangible assets are reviewed at each financial year end and adjusted prospectively.

Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

ii. Intellectual Property

Brands/trademarks acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, brands/trademarks are carried at cost less any accumulated amortisation and impairment losses, if any. A brand/trademark acquired as part of a business combination is recognised outside goodwill, at fair value at the date of acquisition, if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably. The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the brand/trademark name will continue to trade and the expected lifetime of the brand/trademark. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life. The carrying values of brands/ trademarks with finite and indefinite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Group does not have any brands/ trademarks with indefinite useful lives.

The Group owns 167 number as on 31 March 2023 (145 number as on 31 March 2022) registered trademarks pertaining to Brand, Sub-brands and Designs in India. The Group has also entered into royalty agreements with few companies for use of Polycab brand on specific products and charges fees for the same. These intellectual property and royalty income are solely owned and earned by the Group and is not shared with any stakeholder. Intellectual Property has not been capitalised in the books as it does not meet the recognition criteria in Ind AS 38.

iii. Research and development expenditure

Expenditure on research and development activities is recognised in the Consolidated Statement of Profit and Loss as incurred. Development expenditure is capitalized as part of cost of the resulting other intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in Statement of profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any. During the year, the Group has incurred Capital R&D expenditure amounting to ₹150.95 million (31 March 2022 ₹60.31 million) which have been included in property, plant and equipment. Further, Revenue R&D expenditure incurred amounting to ₹191.86 million (31 March 2022 ₹162.47 million) which have been charged to the respective revenue accounts.

iv. De-recognition of other intangible assets

Other intangible asset is derecognised on disposal or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

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for the year ended 31 March 2023

The changes in the carrying value of other intangible assets for the year ended 31 March 2023 are as follows:

(₹ million)

	Technical Knowhow	Brand	Computer Software	Total
Gross carrying value (at cost)				
As at 01 April 2022	218.85	46.35	109.82	375.02
Additions	-	-	20.05	20.05
As at 31 March 2023	**218.85**	**46.35**	**129.87**	**395.07**
Accumulated amortisation				
As at 01 April 2022	85.20	6.18	100.24	191.62
Amortisation charge for the year*	32.63	4.64	9.10	46.37
As at 31 March 2023	**117.83**	**10.82**	**109.34**	**237.99**
Net carrying value				
As at 31 March 2023	**101.02**	**35.53**	**20.53**	**157.08**

* Includes amortisation on continuing operations and discontinuing operations.

The changes in the carrying value of Other intangible assets for year ended 31 March 2022 are as follows:

(₹ million)

	Technical Knowhow	Brand	Computer Software	Total
Gross carrying value (at cost)				
As at 01 April 2021	-	46.35	121.91	168.26
Additions on account of acquisition	212.89	-	-	212.89
Additions	5.96	-	1.70	7.66
Transferred to discontinued operation	-	-	(9.93)	(9.93)
Disposals/ Adjustments	-	-	(3.86)	(3.86)
As at 31 March 2022	**218.85**	**46.35**	**109.82**	**375.02**
Accumulated amortisation				
As at 01 April 2021	-	1.54	95.47	97.01
Additions on account of acquisition	60.78	-	-	60.78
Amortisation charge for the year*	24.42	4.64	12.73	41.79
Transferred to discontinued operation	-	-	(4.10)	(4.10)
Disposals/ Adjustments	-	-	(3.86)	(3.86)
As at 31 March 2022	**85.20**	**6.18**	**100.24**	**191.62**
Net carrying value				
As at 31 March 2022	**133.65**	**40.17**	**9.58**	**183.40**

* Includes amortisation on continuing operations and discontinuing operations.

Note: The Other intangible assets include license and software of Gross carrying amount of ₹92.78 million (31 March 2022 ₹92.46 million) which has been fully amortized over the past periods and are being used by the Group.

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6. Investment

Accounting policy

i. Investment in subsidiaries and joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

Interests in joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost.

Equity method:

Under the equity method, the investment in joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Group's profit and loss, and the Group's share of other comprehensive income of the investee in Group's other comprehensive income.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's interest in the associate or joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

When the Group's share of losses of a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. The Group resumes recognising its share of profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The Financial Statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

At each reporting date, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. The Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Consolidated Statement of Profit and Loss. Goodwill relating to the joint venture is included in the carrying amount of the investment is not tested for impairment individually.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

ii. Business Combinations

Acquisition method:

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the

Notes to Consolidated Financial Statements

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equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

a) deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 "Employee Benefits" respectively;

b) liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date; and

c) assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 "Non-Current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss.

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 "Financial Instruments", is measured at fair value with changes in fair value recognised in Consolidated Statement of Profit and Loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill:

Goodwill is measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses or the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash generating unit retained.

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Bargain purchase:

If the difference of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed is a deficit then the business combination is regarded as bargain purchase.

In case of bargain purchase, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If such evidence exists, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve.

If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing, directly in equity as capital reserve.

Measurement period adjustments

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period (not more than one year from acquisition date), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combination among entities under common control:

Business combination involving entities or businesses under common control is accounted for using the pooling of interest method. Under pooling of interest method, the assets and liabilities of combining entities are reflected at their carrying amount and no adjustments are made to reflect fair values.

Non-controlling interests:

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

A. Ryker Acquisition and Dis-investment:

During the financial year 2021-22, the Parent Company acquired the balance 50% equity shares in Ryker Base Private Limited making it a wholly-owned subsidiary at consideration of ₹ 303.80 million, Put Option liability of ₹49.75 million derecognised against such consideration paid for.

The results of Ryker operations have been consolidated by the Group on a line by line basis from the acquisition date. Further, the Group has allocated purchase price on net assets acquired as under:

(a) The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

(₹ million)

	31 March 22
Assets	
Tangible and Other intangible assets	2,663.55
Inventories	43.44
Trade receivables	4.81
Cash and cash equivalents	103.91
Deferred Tax Asset (Net)	21.59
Other assets	90.94
	2,928.24
Liabilities	
Borrowings	(1,965.53)
Trade payables	(40.48)
Provisions	(3.08)
Other liabilities	(456.21)
	(2,465.30)
Fair value of net assets acquired	**462.94**

(b) Computation of Goodwill

(₹ million)

	31 March 22
Consideration transferred	303.80
Put Option	(49.75)
Acquisition date fair value of any previously held equity interest in the acquiree	231.47
Fair value of net assets acquired	(462.94)
Goodwill *	**22.58**

* Total amount of goodwill computed above is not deductible for tax purposes.

Notes to Consolidated Financial Statements

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(c) The Group's previously held 50% equity interest was accounted as per equity method till 05 May 2020. Further, ₹97.18 million was recognised as gain on derecognition of previously held equity interest in Ryker Base Private Limited and disclosed as exceptional item in Statement of Profit and Loss account.

(d) Refer note 35 for non-current assets held for sale and discontinued operations.

B. Silvan Acquisition:

On 18 June 2021, the Group acquired 100% stake in Silvan Innovation Labs Private Limited making it a wholly-owned subsidiary at a consideration of ₹101.54 million. The acquisition will augment the Groups Internet of Things(IOT) based automation offerings and expand the potential addressable market in FMEG space.

The results of Silvan Innovation Labs Private Limited operations have been consolidated by the Group on a line by line basis from the acquisition date. Further, the Group has allocated purchase price on net assets acquired on provisional basis as under:

(a) The fair value of assets and liabilities recognised as a result of the acquisition are as follows:

(₹ million)

	31 March 22
Assets	
Tangible and Other intangible assets	158.40
Inventories	4.35
Trade receivables	0.50
Cash and cash equivalents	6.19
Other assets	4.44
	173.88
Liabilities	
Borrowings	(21.84)
Trade payables	(21.86)
Provisions	(7.78)
Deferred Tax Liabilities (Net)	(12.36)
Other liabilities	(54.72)
	(118.56)
Fair value of net assets acquired	**55.32**

(b) Computation of Goodwill

(₹ million)

	31 March 22
Consideration transferred	101.54
Fair value of net assets acquired	(55.32)
Goodwill	**46.22**

A. Non-current investments

(₹ million)

	Face Value Per Unit	Number	31 March 2023	Number	31 March 2022
Investments carried at amortised cost (Unquoted)					
Investment in Equity Instruments of Joint Venture (Fully paid-up)					
Techno Electromech Private Limited	₹10	4,040,000	92.63	4,040,000	118.18
Add: Share in current period profit/(loss)			(92.63)		(25.55)
			-		**92.63**
Aggregate amount of unquoted investments			-		92.63
Aggregate amount of impairment value of investments			-		-

Details of the Group's Joint Ventures at the end of the reporting period are as follows:

Name of the Joint Ventures	Nature of Business	Proportion of ownership interest(%) 31 March 2023	Proportion of ownership interest(%) 31 March 2022
Techno Electromech Private Limited, India	Manufacturing of light emitting diodes, lighting and luminaires, and LED drivers.	50%	50%

(i) The Group has entered into Joint Venture agreements with the co-venturer and hence the investment in the above entities are treated as Joint Venture. Both the venturers have joint control on the entities. Accordingly, the Group has consolidated the above Joint Ventures using equity method.

(ii) The Joint Venture has accumulated losses as at 31 March 2023. The Group has recognised its share of losses upto the aggregate of its investments in shares total ₹92.63 million in the Joint Venture. The Group has discontinued recognising its share of further losses in absence of any legal or constructive obligations towards the Joint Venture. Unrecognised share of the Group's loss is ₹44.35 million at 31 March 2023.

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Summarised financial information of Joint Venture:

The summarised financial information below represents the amount shown in the Joint Venture's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

(₹ million)

	TEPL 31 March 2023	TEPL 31 March 2022
Non-current Assets	567.96	609.50
Current Assets	847.79	989.50
Non-current Liabilities	(118.91)	(245.90)
Current Liabilities	(1,377.91)	(1,160.22)
Net Assets	**(81.07)**	**192.88**
Proportion of the Group's ownership	50%	50%
Group's share of net assets	**(40.53)**	**96.44**

Summarised statement of profit and loss of the joint ventures :

(₹ million)

	TEPL 31 March 2023	TEPL 31 March 2022
Revenue	1,949.00	2,178.57
Cost of raw material and components consumed	(1,759.17)	(1,834.07)
Depreciation & amortisation	(32.52)	(32.53)
Finance cost	(52.44)	(50.02)
Employee benefit	(87.99)	(102.98)
Other expense	(272.41)	(230.01)
Loss before tax	**(255.53)**	**(71.03)**
Tax expense	(19.07)	19.30
Loss for the year	**(274.60)**	**(51.73)**
Other comprehensive (income)/expense for the year	0.65	(0.64)
Total comprehensive income for the year	**(273.95)**	**(51.10)**
Group's share of Loss for the year	(136.98)	(25.55)
Elimination of unrealised profit/loss from transaction with joint ventures	-	-
Share of loss of joint ventures (Net of tax) carried over to Statement of Profit and Loss	**(136.98)**	**(25.55)**
Share of loss restricted to investment value (Refer note above)	(92.63)	
Reconciliation of the above mentioned summarised financial information to the carrying amount of interest in the Joint Venture recognised in consolidated financial statements		
Group's Share of net assets as above	(40.53)	96.44
Elimination of unrealised profit from transaction with joint ventures	40.53	(3.81)
Amounts Carried to Balance Sheet	-	**92.63**

Notes:

(a) Refer note 36(B) for uncalled capital commitments outstanding.

(b) During the previous year ended 31 March 2022, the Group has received in principle approval from Reserve Bank of India to wind up Polycab Wires Italy SRL (PWISRL). Accordingly, PWISRL was liquidated and closure certificate was issued on 05 March 2021 by the Italian authorities. The impact of closure of PWISRL on the financial statements was not material.

(c) The Parent Company has no contingent liabilities or capital commitments relating to its interest in joint ventures as at 31 March 2022 except the corporate guarantee provided to bank against the borrowing (Refer note 36A). Joint ventures can not distribute the profits until they obtain consent from the venture partners.

(d) During the previous year ended 31 March 2022, the Parent Company has increased its stake in a subsidiary viz Dowells Cable Accessories Private Limited from 51% to 60% for a purchase consideration of ₹21.77 million.

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B Current Investments

(₹ million)

	31 March 2023	31 March 2022
Investments measured at FVTPL (Quoted)		
Held for sale		
Investments in Liquid/ Overnight Mutual Funds	13,504.95	7,640.51
	13,504.95	**7,640.51**
Aggregate amount of quoted investments - At cost	13,456.13	7,628.52
Aggregate amount of quoted investments - At market value	13,504.95	7,640.51

Note:

(a) Refer note 40 for accounting policies on financial instruments for methods of valuation.

(b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2023 (31 March 2022: Nil).

7. Trade receivables

(₹ million)

	31 March 2023	31 March 2022
Unsecured (at amortised cost)		
Non Current		
Trade receivables - Considered Good (Unsecured)	526.37	799.31
Non-current Trade receivables	**526.37**	**799.31**
Current		
Trade receivables - Considered Good (Unsecured)	13,139.95	13,793.04
Trade receivables - Credit Impaired	455.61	386.39
Receivables from related parties- Considered Good (Unsecured) (Refer note - 37)	33.48	33.67
Trade receivables (Gross)	**13,629.04**	**14,213.10**
Less: Impairment allowance for trade receivables	(1,163.08)	(1,249.16)
Current Trade receivables (Net)	**12,465.96**	**12,963.94**

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	1,249.16	1,424.88
Additions on account of acquisition through business combination	-	15.78
Provision during the year	(31.16)	(150.04)
Bad debts written off (net)	(54.92)	(41.46)
At the end of the year	**1,163.08**	**1,249.16**

Notes:

(a) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. The Group's term includes charging of interest for delayed payment beyond agreed credit days. Group entities charges interest for delayed payments in certain cases depending on factors, such as, market conditions and past realisation trend.

(b) For EPC business trade receivables are non-interest bearing and credit terms are specific to contracts.

(c) For explanations on the Group's credit risk management processes, Refer note 41(B).

(d) The Group follows life time expected credit loss model. Accordingly, deterioration in credit risk is not required to be evaluated annually.

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(e) Trade receivables have been pledged as security against bank borrowings, the terms relating to which have been described in Note 18.

(f) Refer note 40 for accounting policies on financial instruments.

(g) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person, except the dues referred in note 37(F)(iii). Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 37(H) for the terms and conditions pertaining to related party disclosures.

(h) Trade receivables ageing schedule Current

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	9,441.77	2,729.66	241.27	537.14	100.68	122.40	13,172.92
(ii) Undisputed Trade Receivables - Credit Impaired	-	-	-	0.07	75.92	111.84	187.83
(iii) Disputed Trade Receivables - considered good	-	0.02	-	0.46	-	0.03	0.51
(iv) Disputed Trade Receivables - Credit Impaired	-	-	-	-	15.00	252.78	267.78
	9,441.77	**2,729.68**	**241.27**	**537.67**	**191.60**	**487.06**	**13,629.04**
Less: Impairment allowance for trade receivables							(1,163.08)
Total Current trade receivable							**12,465.96**

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,311.98	1,789.49	788.92	643.78	109.82	169.93	13,813.92
(ii) Undisputed Trade Receivables - Credit Impaired	-	-	2.37	0.02	80.14	73.86	156.39
(iii) Disputed Trade Receivables - considered good	-	-	-	12.79	-	-	12.79
(iv) Disputed Trade Receivables - Credit Impaired	-	-	-	-	90.49	139.51	230.00
	10,311.98	**1,789.49**	**791.29**	**656.59**	**280.45**	**383.30**	**14,213.10**
Less: Impairment allowance for trade receivables							(1,249.16)
Total Current trade receivable							**12,963.94**

Trade receivables ageing schedule Non-current

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	303.06	56.15	84.82	47.25	35.09	526.37

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	56.21	77.42	202.08	192.59	271.01	799.31

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8. Cash and cash equivalents

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Balances with banks		
In current accounts (i)	1,137.41	1,048.72
Deposits with original maturity of less than 3 months (ii)	387.53	167.04
Cash on hand	2.58	1.15
	1,527.52	**1,216.91**

(i) There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.

(ii) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

9. Bank balance other than cash and cash equivalents

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Deposits with original maturity for more than 3 months but less than 12 months (i)	5,423.35	2,851.40
Earmarked balance (ii)	1.56	2.87
	5,424.91	**2,854.27**

(i) Fixed deposit of ₹12.69 million (31 March 2022: ₹16.60 million) is restricted for withdrawal, as it is lien against project specific advance.

(ii) Earmarked balances with banks relate to unclaimed dividends (Refer note 21)

10. Loans

Loans - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Loans Receivables considered good – Unsecured		
Loans to supplier	-	19.04
Loans to related party (Refer note - 37)	100.00	100.00
Loans to employees	3.47	7.76
	103.47	**126.80**

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Note: Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013 as per the standalone financial statement:

(A) Amount of loans/ advances in the nature of loans outstanding from Subsidiaries and Joint Venture:

(₹ million)

		Interest Rate	Outstanding as at		Maximum amount outstanding during the year	
			31 March 2023	31 March 2022	31 March 2023	31 March 2022
(i)	**Subsidiaries**					
	Unsecured, considered good					
	Ryker Base Private Limited (has utilised this loan for ECB loan repayment and general corporate purpose)	MCLR + 100 BP	-	-	-	300.00
	Polycab Support Force Private Limited (has utilised this loan for general corporate purpose)	8.75%	5.00	-	12.50	-
	Uniglobus Electricals and Electronics Private Limited (has utilised this loan for general corporate purpose)	8.75% and 11.25%	-	1.95	56.61	71.44
	Silvan Innovation Labs Private Limited(has utilised this loan for general corporate purpose)	11.25%	52.00	45.50	52.00	45.50
	Polycab Australia Pty Ltd (has utilised this loan for general corporate purpose)	LIBOR + 400 BP	-	-	-	25.07
(ii)	**Joint Venture**					
	Unsecured, considered good					
	Techno Electromech Private Limited (has utilised this loan for general corporate purpose)	9.00%	100.00	100.00	100.00	115.21

(B) Amount of loans/ advances in the nature of loans outstanding from Subsidiaries and Joint Venture:

(₹ million)

		31 March 2023	%	31 March 2022	%
(i)	**Subsidiaries**				
	Unsecured, considered good				
	Uniglobus Electricals and Electronics Private Limited	-	0%	1.95	1%
	Polycab Support Force Private Limited	5.00	3%	-	0%
	Silvan Innovation Labs Private Limited	52.00	33%	45.50	31%
(ii)	**Joint Venture**				
	Unsecured, considered good				
	Techno Electromech Private Limited	100.00	64%	100.00	68%

(C) The Group has complied with the provision section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(D) The Group has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

(E) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(F) Loan has been given to related parties are repayable on demand.

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for the year ended 31 March 2023

11. Other financial assets

A. Other financial assets - Non-current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Unsecured, considered good		
Security deposits and Earnest money deposits	28.49	16.54
Rental deposits		
Others	35.48	23.75
Deposits with bank having maturity period of more than 12 months	6.43	126.23
	70.40	**166.52**

B Other financial assets - current

(₹ million)

		31 March 2023	31 March 2022
At amortised cost			
Unsecured, considered good			
Security deposits and Earnest money deposits	(A)	25.04	11.64
Rental deposits, unsecured, considered good			
Related Parties (Refer note - 37)		6.17	6.17
Others		23.92	14.38
	(B)	30.09	20.55
Interest accrued on bank deposits		149.88	53.33
Interest receivables			
Related Parties (Refer note - 37)		2.00	2.91
Other than Related Parties		1.02	1.43
	(C)	152.90	57.67
Others	(D)	79.52	80.75
At FVTPL			
Derivative Assets (Refer below note)	(E)	8.36	238.84
	(A+B+C+D+E)	**295.91**	**409.45**

Note:

Derivative Assets

(₹ million)

	31 March 2023	31 March 2022
Embedded derivatives	-	196.27
Forward contract	8.36	42.57
	8.36	**238.84**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

12. Income taxes

Accounting policy

Income tax expenses comprise current tax and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax received / receivable pertains to prior period recognised when reasonable certainty arise for refund acknowledged by the Income-tax department. Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(a) Temporary differences arising on the initial recognition of goodwill or an assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction; and

(b) Temporary differences related to freehold land and investments in subsidiaries, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and interest in joint ventures where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

The major tax jurisdiction of the Group is India. The Group's tax return for past years are generally subject to examination by the tax authorities. The Group has made provisions for taxes basis its best judgement, considering past resolutions to disputed matters by adjudicating authorities, prior year assessments and advice from external experts, if required. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

Further, the Group periodically receives notices and inquiries from Indian income tax authorities related to the Group's operations. The Group has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands, if any, by the income tax authorities will not succeed on ultimate resolution.

A. Income tax expense in the statement of profit and loss comprises:

(₹ million)

	31 March 2023	31 March 2022
Current tax:		
In respect of current year	4,121.16	2,829.93
On discontinued operations	-	197.60
Adjustments of tax relating to earlier years	0.04	(20.66)
	4,121.20	**3,006.87**
Deferred tax:		
Relating to origination and reversal of temporary differences	129.88	(65.96)
Adjustments of tax relating to earlier years	(1.05)	(37.04)
On discontinued operations	-	35.12
	128.83	**(67.88)**
	4,250.03	**2,938.99**

B. OCI section - Deferred tax related to items recognised in OCI during the year:

(₹ million)

	31 March 2023	31 March 2022
Net loss/(gain) on remeasurements of defined benefit plans	8.81	4.74
Net loss/(gain) on Designated Cash Flow Hedges	(0.15)	0.15
	8.66	**4.89**

C. Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:

(₹ million)

	31 March 2023	31 March 2022
Profit before tax	17,072.60	12,111.83
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expenses	4,296.83	3,048.31
Effect of differential tax impact due to the following (tax benefit)/ tax expenses:		
CSR expenses	57.53	48.83
Deferred government grants	(35.29)	(5.21)
Others	(68.03)	(95.24)
Adjustments of tax relating to earlier years	(1.01)	(57.70)
	4,250.03	**2,938.99**

D. The details of tax assets / (liabilities) as at 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Non-current tax assets (net of provision for taxation)	251.89	479.46
Current tax liabilities (net of advance tax)	(348.87)	(159.52)
Net tax asset / (liability) at the end of the year	**(96.98)**	**319.94**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

E. The movement in the net current tax assets/ (liability) for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Net current tax asset / (liability) at the beginning	319.94	14.15
Additions on account of acquisition through business combination	-	2.00
Income tax paid	3,704.28	3,339.85
Refund received	-	(0.29)
Effect of interest on income-tax order	-	13.90
Interest liability adjusted against advance tax	-	(42.80)
Current tax expense	(4,121.16)	(2,829.93)
On discontinued operations	-	(197.60)
Adjustments of tax relating to earlier years	(0.04)	20.66
Net current tax asset / (liability) at the end	**(96.98)**	**319.94**

F. The movement in the net deferred tax assets/ (liability) as at 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Deferred tax assets (net)	13.45	0.09
Deferred tax liabilities (net)	(422.68)	(271.84)
Net deferred tax asset / (liability) at the end of the year	**(409.23)**	**(271.75)**

G. The movement in net deferred tax assets and liabilities

For the year ended 31 March 2023

(₹ million)

	Carrying value as at 01 April 22	Additions on account of acquisition through business combination	On discontinued operations	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2023
Deferred tax assets / (liabilities) in relation to						
Property, plant and equipment and other intangible assets	(679.71)	-	-	(107.55)	-	(787.26)
Provision for employee benefits	89.05	-	-	29.35	(8.81)	109.59
Cash flow hedges	(0.15)	-	-	-	0.15	-
Receivables, financial assets at amortised cost	310.76	-	-	(46.47)	-	264.29
Lease liabilities	1.17	-	-	2.11	-	3.28
Others	7.13	-	-	(6.27)	-	0.86
Total deferred tax assets / (liabilities)	**(271.75)**	**-**	**-**	**(128.83)**	**(8.66)**	**(409.23)**

For the year ended 31 March 2022

(₹ million)

	Carrying value as at 01 April 21	Additions on account of acquisition through business combination	On discontinued operations	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2022
Deferred tax assets / (liabilities) in relation to						
Property, plant and equipment and other intangible assets	(737.54)	(10.83)	94.25	(25.59)	-	(679.71)
Provision for employee benefits	88.38	-	(1.21)	6.62	(4.74)	89.05
Cash flow hedges	-	-	-	-	(0.15)	(0.15)
Receivables, financial assets at amortised cost	193.15	-	-	117.61	-	310.76
Lease liabilities	0.78	-	-	0.39	-	1.17
Others	37.20	(1.53)	(32.51)	3.97	-	7.13
Total deferred tax assets / (liabilities)	**(418.03)**	**(12.36)**	**60.53**	**103.00**	**(4.89)**	**(271.75)**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

H. Reconciliation of deferred tax assets/ liabilities (net):

(₹ million)

	31 March 2023	31 March 2022
Net deferred tax asset / (liability) at the beginning	(271.75)	(418.03)
Additions on account of acquisition through business combination	-	(12.36)
Tax (income)/expense on adjustment of tax relating to earlier year	1.05	37.04
On discontinued operations	-	60.53
Tax (income)/expense recognised in profit or loss	(129.88)	65.96
Tax (income)/expense recognised in OCI	(8.66)	(4.89)
Net deferred tax asset / (liability) at the end of the year	**(409.23)**	**(271.75)**

I. Details of transaction not recorded in the books of accounts that has been surrendered/ disclosed as income during the year in the tax assessments (e.g. search) ₹ Nil (31 March 2022 ₹ Nil).

J. The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

13. Other assets

A Other assets - Non-current

(₹ million)

		31 March 2023	31 March 2022
Capital advances			
Unsecured, considered good		836.82	553.74
Unsecured, considered doubtful		136.62	6.62
Gross Capital Advances		**973.44**	**560.36**
Less : Impairment allowance for doubtful advance (Refer note below)		(136.62)	(6.62)
Net Capital Advances	(A)	**836.82**	**553.74**
Advances other than capital advances			
Unsecured, considered good			
Prepaid expenses		75.73	12.97
Balances with statutory/government authorities		215.54	97.25
	(B)	**291.27**	**110.22**
	(A)+(B)	**1,128.09**	**663.96**

Note:

Change in impairment allowance for doubtful advances

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	6.62	6.62
Provision during the year	130.00	-
At the end of the year	**136.62**	**6.62**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

B. Other assets - Current

(₹ million)

	31 March 2023	31 March 2022
Advances other than capital advances		
Unsecured, considered good		
Advances for materials and services	2,901.67	3,178.98
Advances for materials and services - related party (Refer note 37)	169.10	-
Contract asset (Refer below note(a))		
Unsecured, considered good	135.54	95.09
Credit impaired	5.65	11.82
Less: Impairment allowance for Contract Assets - Credit Impaired (Refer below note (b))	(5.65)	(11.82)
	135.54	**95.09**
Others		
Unsecured, considered good		
Prepaid expenses	29.27	60.40
Balances with statutory/government authorities	2,703.49	557.38
Export incentive receivable	25.67	23.92
Right of return assets (Refer below note (c))	286.19	287.24
	6,250.93	**4,203.01**

Notes:

(a) Reconciliation of Contract assets:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	95.09	141.02
Unbilled revenue	153.54	353.09
Billed to customer	(106.92)	(399.02)
Impairment allowance	(6.17)	-
At the end of the year	**135.54**	**95.09**

The Group follows life time expected credit loss provisioning model for contract asset. Accordingly, deterioration in credit risk is not required to be evaluated annually.

(b) Change in impairment allowance

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	11.82	11.82
Provision during the year	(6.17)	-
At the end of the year	**5.65**	**11.82**

(c) Reconciliation of Right of return assets:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	287.24	222.21
Arising during the year	314.30	289.25
Utilised during the year	(315.35)	(224.22)
At the end of the year	**286.19**	**287.24**

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for the year ended 31 March 2023

14. Inventories

Accounting policy

Raw materials, stock in trade, Work-in-Progress, finished goods, packing materials, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost or net realizable value ("NRV") after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Cost of stock-in-trade includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

Copper and aluminium is purchased on provisional price with option to fix the purchase price based on current or future pricing model based on LME. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. Since, the value of the copper and aluminium changes with response to change in commodity pricing index, embedded derivatives (ED) is identified and separated from the host contract. The ED so separated, is treated like commodity derivative and qualifies for hedge accounting. These derivatives are put into a Fair Value hedge relationship with respect to unpriced inventory. The Group designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold (Refer note 42).

(₹ million)

	31 March 2023	31 March 2022
Raw materials	12,696.99	5,547.49
Work-in-progress	2,197.14	2,208.54
Finished goods	11,090.39	11,182.82
Stock-in-trade	1,743.00	1,893.49
Stores and spares	340.04	264.75
Packing materials	379.85	282.55
Scrap materials	432.44	524.88
Project materials for long-term contracts	633.99	91.95
	29,513.84	**21,996.47**

Notes:

(a) **The above includes goods in transit as under:**

(₹ million)

	31 March 2023	31 March 2022
Raw Material	666.86	259.57
Stock-in-trade	380.68	51.24
Stores and spares	11.40	0.51
Project materials for long-term contracts	3.58	6.16

(b) The above includes inventories held by third parties amounting to ₹5,212.98 million (31 March 2022 - ₹320.55 million)

(c) During the year ended 31 March 2023 ₹4.32 million (31 March 2022 - ₹1.93 million) was recognised as an expense for inventories carried at net realisable value.

(d) Inventories are hypothecated with the bankers against working capital limits (Refer note 18).

15. Equity Share Capital

(₹ million)

	31 March 2023	31 March 2022
Authorised share capital		
Equity shares, ₹10 per value 186,250,000 (186,250,000) equity shares*	1,862.50	1,862.50
Issued, subscribed and fully paid-up shares		
Equity shares, ₹10 per value 149,765,278 (149,443,040) equity shares	1,497.65	1,494.43
	1,497.65	**1,494.43**

* Number of equity shares reserved for issue under employee share based payment Number 786,160 (31 March 2022 : Number 1,265,159)

Notes:

(a) **The reconciliation of shares outstanding and the amount of share capital as at 31 March 2023 and 31 March 2022 are as follow:**

(₹ million)

	31 March 2023		31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	149,443,040	1,494.43	149,118,814	1,491.19
Add: Shares issued on exercise of employee stock option	322,238	3.22	324,226	3.24
At the end of the year	**149,765,278**	**1,497.65**	**149,443,040**	**1,494.43**

(b) **Terms/ rights attached to equity shares**

The Group has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) **The details of Shareholding of Promoters are as under as at 31 March 2023 and 31 March 2022 are as follows:**

	31 March 2023		31 March 2022		% Change during the year
	Number of Shares	Total share	Number of Shares	Total share	
Mr. Inder T. Jaisinghani	18,873,976	12.60%	19,383,976	13.00%	-0.40%
Mr. Girdhari T. Jaisinghani	14,736,283	9.84%	15,181,283	10.18%	-0.34%
Mr. Ajay T. Jaisinghani	17,525,008	11.93%	19,347,247	12.97%	-1.04%
Mr. Ramesh T. Jaisinghani	17,525,008	11.70%	18,485,008	12.40%	-0.70%

(d) **The details of shareholders holding more than 5% shares as at 31 March 2023 and 31 March 2022 are as follows:**

	31 March 2023		31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Mr. Inder T. Jaisinghani	18,873,976	12.60%	19,383,976	13.00%
Mr. Girdhari T. Jaisinghani	14,736,283	9.84%	15,181,283	10.18%
Mr. Ajay T. Jaisinghani	17,870,747	11.93%	19,347,247	12.97%
Mr. Ramesh T. Jaisinghani	17,525,008	11.70%	18,485,008	12.40%

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

(e) Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date :

There were no buy back of shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

(f) Dividend

Accounting policy

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

The Group declares and pays dividend in Indian rupees in accordance with its dividend distribution policy. Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

Dividend on equity share

(₹ million)

	31 March 2023	31 March 2022
Dividend on equity shares declared and paid during the year		
Final dividend of ₹14.00 per share for FY 2021-22 paid in FY 2022-23 (Proposed by Board of Directors in the meeting held on 10 May 2022 and was approved by Shareholders in the meeting held on 29 June 2022)	2,094.49	1,491.60
	2,094.49	**1,491.60**

Proposed dividend on equity share

The Board of Directors in their meeting on 12 May 2023 recommended a final dividend of ₹20 per equity share for the financial year ended 31 March 2023. This payment is subject to the approval of shareholders in the Annual General Meeting of the Company and if approved would result in a net cash outflow of approximately ₹2,995 million. It is not recognised as a liability as at 31 March 2023.

(g) Employee stock Option Plan (ESOP)

Accounting policy

Equity settled share based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "ESOP Outstanding". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates. Corresponding balance of a ESOP Outstanding is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee.

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

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Employee stock option plan

The Group had instituted an ESOP Plan 2018, ESOP Performance Scheme, and ESOP Privilege Scheme as approved by the Board of Directors and Shareholders dated 30 August 2018 for issuance of stock option to eligible employees of the Group.

Under **Employee Stock Options Performance Scheme 2018,** the options will be vested in the specified ratio subject to fulfilment of the employee performance criteria laid down in the scheme. This shall be monitored annually as per the performance evaluation cycle of the Group and options shall vest based on the achieved rating to the employee.

Under **Employee Stock Options Privilege Scheme 2018,** the options are vested over a period of one year subject to fulfilment of service condition.

Expected volatility is based on historical stock volatility of comparable companies operating within the same industry. The historical stock prices of comparable Companies has been observed for a period commensurate to the Life of option.

Pursuant to the said scheme, the stock options convertible into 3,387,750 equity shares vide ESOP Performance Scheme and 142,250 equity shares vide ESOP Privilege Scheme of ₹10 each were granted to eligible employee including group companies at an exercise price of ₹405/-.

Subject to terms and condition of the scheme, options are classified into six categories:

	Performance Scheme					Privilege Scheme
	I	II	III	IV	V	VI
Number of options	2,102,500	45,000	65,000	156,000	100,000	142,250
Method of accounting	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Vesting period	5 years graded vesting	5 years graded vesting	5 years graded vesting	5 years graded vesting	5 years graded vesting	1 year
Grant date	30-Aug-18	18-Oct-18	23-Jan-21	13-May-21	04-Oct-21	30-Aug-18
Exercise/ Expiry date	29-Aug-26	17-Oct-26	22-Jan-29	12-May-29	03-Oct-29	29-Aug-23
Exercise period	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	5 years from the date of grant
Weighted average share price	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90
Grant/Exercise price	₹405	₹405	₹405	₹405	₹405	₹405
Method of settlement	Equity - settled	Equity - settled	Equity - settled	Equity - settled	Equity - settled	Equity - settled
Weighted average remaining contractual life of options (in days)	479	479	479	479	479	NIL

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 30 August 2018 and 18 October 2018):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.19%	0.19%	0.19%	0.19%	0.19%
Risk free interest rate	8.20%	8.20%	8.20%	8.20%	8.30%
Expected volatility	48.30%	48.20%	49.20%	48.20%	47.30%
Fair value per option	₹310.10	₹321.90	₹335.10	₹343.00	₹350.40
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

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The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 23 January 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.12%	0.11%	0.12%	0.11%	0.13%
Risk free interest rate	5.10%	5.29%	5.44%	5.59%	5.73%
Expected volatility	34.37%	34.25%	34.88%	35.42%	37.10%
Fair value per option	₹955.87	₹967.70	₹978.57	₹990.75	₹1,003.15
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 13 May 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.72%	0.65%	0.71%	0.65%	0.70%
Risk free interest rate	5.54%	5.68%	5.86%	6.03%	6.13%
Expected volatility	35.10%	34.88%	34.97%	35.55%	35.99%
Fair value per option	₹1,186.89	₹1,198.43	₹1,203.36	₹1,216.12	₹1,220.57
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 04 October 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.38%	0.34%	0.39%	0.36%	0.39%
Risk free interest rate	5.66%	5.84%	6.00%	6.15%	6.27%
Expected volatility	35.16%	35.35%	34.97%	35.06%	35.91%
Fair value per option	₹1,998.40	₹2,010.23	₹2,014.32	₹2,026.10	₹2,030.48
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

	Privilege Scheme
	Year 1 100% vesting
Exercise price	₹405
Dividend yield	0.19%
Risk free interest rate	8.30%
Expected volatility	47.30%
Fair value per option	₹350.40
Model used	Black Scholes

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

The activity in the ESOP Plan 2018 (ESOP Performance Scheme and ESOP Privilege Scheme) is as follows:

	31 March 2023		31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
ESOP Performance Scheme				
Outstanding at the beginning	1,254,909	405	1,538,192	405
Granted	34,000	405	256,200	405
Exercised and allotted	309,438	405	313,801	405
Exercised and pending allotment	3,740	405	10,800	405
Transfer to general reserve	-	405	3,050	405
Forfeited	197,821	405	211,832	405
Outstanding at the end	**777,910**	**405**	**1,254,909**	**405**
ESOP Privilege Scheme				
Outstanding at the beginning	10,250	405	13,750	405
Exercised and allotted	2,000	405	3,500	405
Exercised and pending allotment	-	405	-	405
Outstanding at the end	**8,250**	**405**	**10,250**	**405**

Shares allotted under ESOP during the year

	31 March 2023		31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
FY 2022-23				
ESOP Performance Scheme	309,438	405	313,801	405
ESOP Privilege Scheme	2,000	405	3,500	405
FY 2021-22				
ESOP Performance Scheme	10,800	405	5,925	405
ESOP Privilege Scheme	-	405	1,000	405
	322,238	**405**	**324,226**	**405**

Options vested but not exercised during the year:

(₹ million)

	31 March 2023	31 March 2022
ESOP Performance Scheme	139,940	149,759
ESOP Privilege Scheme	8,250	10,250

The break-up of employee stock compensation expense is as follow:

(₹ million)

	31 March 2023	31 March 2022
Granted to		
KMP and Executive Directors	3.07	5.82
Employees other than KMP and Executive Directors	104.54	155.34
	107.61	**161.16**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

16. Other Equity

(₹ million)

	31 March 2023	31 March 2022
Share application money pending allotment	2.78	7.98
Securities premium	7,822.56	7,554.95
General reserve	615.00	615.00
ESOP outstanding	313.17	343.54
Retained earnings	56,064.54	45,433.29
Cash flow hedging reserve	-	0.43
Foreign currency translation reserve	(4.33)	(12.21)
	64,813.72	**53,942.98**

Notes:

(a) Securities premium

Amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. It will be used as per the provision of Companies Act, 2013.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	7,554.95	7,318.10
Add: Adjustment for exercise of stock option	267.61	236.85
	7,822.56	**7,554.95**

(b) General reserve

The Group had transferred a portion of the net profit of the Group before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to Statement of Profit and Loss.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	615.00	614.00
Add: Transfer on account of employee stock options not exercised	-	1.00
	615.00	**615.00**

(c) ESOP outstanding

Fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding . The Group has two stock option schemes under which options to subscribe for the Group's shares have been granted to certain employees. The ESOP Outstanding is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	343.54	286.92
Add: ESOP charge during the year	107.61	167.84
Less: Transfer on account of employee stock options not exercised	-	(1.00)
Less: Adjustment for exercise of stock option	(137.98)	(110.22)
	313.17	**343.54**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

(d) Cash flow hedging reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of Profit and Loss upon the occurrence of the related forecasted transaction.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	0.43	-
Add: Other Comprehensive Income for the year	(0.43)	0.43
	-	**0.43**

(e) Foreign currency translation reserve

Foreign currency translation reserve includes all resulting exchange differences arising from (a) translating the assets and liabilities foreign operations into Indian Rupees using exchange rates prevailing at the end of each reporting period and (b) translating income and expense items of the foreign operations at the average exchange rates for the period.

(₹ million)

	31 March 2023	31 March 2022
Opening Balance	(12.21)	(0.05)
Add: Exchange difference during the year on net investment in non-integral foreign operations	7.88	(12.16)
	(4.33)	**(12.21)**

(f) Retained earnings

Retained earnings are the profits that the Group has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Group.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	45,433.29	37,824.28
Add: Profit during the year	12,725.74	9,097.51
Add: Acquisition of non-controlling interest	-	3.10
Less: Final equity dividend	(2,094.49)	(1,491.60)
	56,064.54	**45,433.29**

(g) Share application money pending allotment

Share application money pending allotment, represents amount received from employees who has exercised Employee Stock Option Scheme (ESOS) for which shares are pending allotment as on balance sheet date.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	7.98	4.96
Add: Adjustment for exercise of stock option	137.98	110.22
Add: Amount received on exercise of employee stock options	127.65	132.88
Less: Transfer to equity share capital & securities premium for fresh issue	(270.83)	(240.08)
	2.78	**7.98**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

17. Non-Controlling Interests

(₹ million)

	31 March 2023	31 March 2022
Balance at beginning of the year	250.70	188.29
Share of profit	123.03	87.07
Share of other comprehensive income	0.04	(0.04)
Acquisition of non-controlling interest	-	(24.87)
Shares Issued during the year	-	0.25
Balance as at the end of the year	**373.77**	**250.70**

Note:

For acquisition of additional interests during the financial year 2021-22, with no change in control in a subsidiary company Dowells Cables Private Limited, the Group has recognised a reduction to the non-controlling interest with the difference between this figure and the consideration paid, being recognised in equity.

Details of non-controlling interests

The table below shows details relating to Non-controlling interest in the entities which are not wholly owned by the Group.

	Proportion of NCI	
	31 March 2023	31 March 2022
Tirupati Reels Private Limited (TRPL)	45%	45%
Dowells Cable Accessories Private Limited (DCAPL)	40%	40%
Steel Matrix Private Limited (SMPL)	25%	25%

(₹ million)

	Accumulated non-controlling interest		Profit / (Loss) allocated to Non-Controlling Interest		Other Comprehensive Income allocated to Non-Controlling Interest	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Tirupati Reels Private Limited	153.89	116.15	37.70	28.02	0.04	(0.04)
Dowells Cable Accessories Private Limited	219.63	134.30	85.33	59.05	-	-
Steel Matrix Private Limited	0.25	0.25	-	-	-	-
	373.77	250.70	123.03	87.07	0.04	(0.04)

Summarised financial information in respect of each of the Group's subsidiaries is set out below. The information below represents amounts before intragroup eliminations:

(₹ million)

	TRPL		DCAPL		SMPL	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Non-Current assets	354.07	275.77	74.10	81.41	-	-
Current assets	510.86	438.25	527.02	348.41	0.99	1.00
Non-Current liabilities	(68.30)	(58.02)	(4.35)	(3.98)	-	-
Current liabilities	(455.67)	(398.92)	(51.09)	(93.49)	(0.01)	(0.01)
Ind AS 116 Transitional Impact - Within Group	-	-	3.40	3.40	-	-
Ind AS 116 Transitional Impact - Others	1.02	1.02	-	-	-	-
Total Equity	**341.98**	**258.10**	**549.08**	**335.75**	**0.98**	**0.99**
Attributable to owners of Group	**188.09**	**141.95**	**329.45**	**201.45**	**0.73**	**0.74**
Non-control interest	**153.89**	**116.15**	**219.63**	**134.30**	**0.25**	**0.25**

Notes to Consolidated Financial Statements
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(₹ million)

	TRPL		DCAPL		SMPL	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Revenue	1,387.12	1,015.50	1,190.32	896.41	-	-
Expenses	(1,303.35)	(953.24)	(977.00)	(765.60)	(0.01)	-
Profit/(Loss) for the year	**83.77**	**62.26**	**213.32**	**130.81**	**(0.01)**	**-**
Attributable to owners of Group	46.07	34.24	127.99	71.76	(0.01)	-
Non-control Interest	37.70	28.02	85.33	59.05	-	-
Other Comprehensive Income	0.08	(0.09)	-	-	-	-
Attributable to owners of Group	0.04	(0.05)	-	-	-	-
Non-control interest	**0.04**	**(0.04)**	**-**	**-**	**-**	**-**

18. Borrowings

A. Borrowings - Non-Current

(₹ million)

	Rate of interest	Tenure end date	31 March 2023 Gross/ Carrying Value	31 March 2022 Gross/ Carrying Value
At amortised cost				
Rupee loan (secured)				
Indian rupee loan from HDFC Bank *	13.71%	7 June 2029	68.51	65.91
			68.51	**65.91**
Less: Current maturities of long-term borrowings			(26.43)	(36.17)
			42.08	**29.74**

* Rate of Interest is calculated at weighted average rate of interest.

Tenure end date is last EMI date of loan repayment schedule as on 31 March 2023.

Notes:

(a) For secured loans, charge created by way of:

(i) First ranking pari passu charge by way of hypothecation over the entire current assets including but not limited to Stocks and Receivables.

(ii) Pari passu first charge by way of hypothecation on the entire movable fixed assets.

(iii) Charges with respect to above borrowing has been created in favour of security trustee. No separate charge created for each of the borrowing.

(iv) Term Loan of Group's subsidiary Tirupati Reels Private Limited (TRPL) is secured against:

(a) hypothecation of inventories, trade receivables, plant and equipments and deposits with bank (amounting ₹33.85 million)

(b) mortgage of collateral security of leasehold land

(c) personal guarantee of certain directors and their relative at their personal capacity

(v) All charges are registered with ROC within statutory period by the Group.

(vi) Term loans were applied for the purpose for which the loans were obtained.

(vii) Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

(b) Maturity profile of non-current borrowings

(₹ million)

	31 March 2023		31 March 2022	
	< 1 Year	> 1 Year	< 1 Year	> 1 Year
Rupee loan (secured)				
Indian rupee loan from HDFC Bank	26.43	42.08	36.17	29.74
	26.43	**42.08**	**36.17**	**29.74**

(c) Others

The term loans from HDFC Bank aggregating to ₹68.51 million is to be repaid in 4 to 75 monthly instalments from April 2023 to June 2029.

B. Borrowings - Current

(₹ million)

	31 March 2023	31 March 2022
Others		
At amortised cost		
Cash Credit from banks (Secured)	332.60	0.02
Short-term loan from banks (Unsecured) (Refer note - 41B)	821.25	765.42
Buyer's Credit (Secured)	329.07	-
Current maturities of long-term borrowings (Secured) (Refer note - 18A)	26.43	36.17
	1,509.35	**801.61**

Notes:

(a) For secured loans, charge created by way of:

(i) First ranking pari passu charge by way of hypothecation over the entire current assets including but not limited to Stocks and Receivables.

(ii) Pari passu first charge by way of hypothecation on the entire movable fixed assets.

(iii) Charges with respect to above borrowing has been created in favour of security trustee. No separate charge has been created for each of the borrowing.

(iv) Buyer's credit of Group's subsidiary Tirupati Reels Private Limited (TRPL) is secured against:

(a) hypothecation of inventories, trade receivables, plant and equipments and deposits with bank (amounting ₹33.85 million)

(b) mortgage of collateral security of leasehold land

(c) personal guarantee of certain directors and their relative at their personal capacity

(v) Cash credit from banks of Group's subsidiary Uniglobus Electricals and Electronics Private Limited (UEEPL) is secured against pari passu first charge by way of hypothecation over the current assets and moveable fixed assets.

(vi) All charges are registered with ROC within statutory period by the Group.

(vii) Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.

Notes to Consolidated Financial Statements

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(b) Credit facilities

The Group has fund based and non-fund based revolving credit facilities amounting to ₹41,149 million (31 March 2022: ₹39,206 million), towards operational requirements that can be used for the short term loan, issuance of letters of credit and bank guarantees. The unutilised credit line out of these working capital facilities at the year end are given as below:

(₹ million)

	31 March 2023	31 March 2022
Fund based	4,482.90	4,389.28
Non-fund based	4,392.04	17,215.00
	8,874.94	**21,604.28**

(c) Reconciliation of movement in borrowings to cash flows from financing activities

(₹ million)

	31 March 2023	31 March 2022
Opening balance		
Long-term borrowings	65.91	1,597.21
Short-term borrowings (excluding Cash Credit from banks)	765.42	888.80
Additions on account of acquisition through business combination	-	21.84
	831.33	**2,507.85**
Cash flow movements		
Repayment of long term borrowings	(37.50)	(141.09)
Proceeds from long term borrowings	40.10	-
Proceeds / (Repayment) of short term borrowings	329.07	(27.08)
Transferred to discontinued operation	-	(1,354.05)
	331.67	**(1,522.22)**
Non-cash movements		
Foreign exchange translation	-	-
Other adjustment	55.83	(154.30)
	55.83	**(154.30)**
Closing balance		
Long-term borrowings	68.51	65.91
Short-term borrowings (excluding Cash Credit from banks)	1,150.32	765.42
	1,218.83	**831.33**

Refer note 4 for reconciliation of movement in lease liabilities to cash flows from financing activities.

19. Lease liabilities

A. Lease liabilities - Non-Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost	224.33	244.76
	224.33	**244.76**

B. Lease liabilities - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost	138.96	105.37
	138.96	**105.37**

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20. Trade payables

Accounting policy

These amounts represents liabilities for goods and services provided to the Group during the year and are unpaid at the year end. The amounts are unsecured and are usually paid within 30 to 90 days of recognition other than usance letter of credit. Trade payables are presented as current financial liabilities.

The Group enters into arrangements for purchase under usance letter of credit issued by banks under non-fund based working capital limits of the Group. Considering these arrangements are majorly for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as acceptances under trade payables.

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Total outstanding dues of micro and small enterprises		
Trade payables to related parties (Refer note 37)	26.90	60.24
Trade payables - Others	705.55	528.00
	732.45	**588.24**
Total outstanding dues of creditors other than micro and small enterprises		
Acceptances (Refer below note (a))	12,257.56	6,364.55
Other than acceptances		
Trade payables to related parties (Refer note 37)	238.53	171.47
Trade payables - Others (Refer below note (b))	7,097.90	5,051.04
	19,593.99	**11,587.06**

Notes:

(a) Acceptances represent amounts payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by Banks for the Group. The arrangements are interest-bearing. Non-fund limits are secured by first pari-passu charge over the present and future current assets of the Group.

(b) Others include amount payable to vendors, employees liability and accrual of expenses that are expected to be settled in the Group's normal operating cycle or due to be settled within twelve months from the reporting date.

(c) For the terms and conditions with related parties, refer note 37.

(d) For explanations on the Group's liquidity risk management processes, refer note 41(C).

(e) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2023 and year ended 31 March 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

(₹ million)

	31 March 2023	31 March 2022
(i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	730.03	586.43
Interest	2.42	1.81
(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	1.81	2.99
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	2.42	1.81
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

(f) Trade Payables ageing schedule

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	404.53	327.92	-	-	-	732.45
(ii) Others						
Acceptances	12,257.56	-	-	-	-	12,257.56
Other than acceptances	2,298.07	994.62	6.62	2.87	7.56	3,309.74
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	14,555.63	**994.62**	**6.62**	**2.88**	**7.56**	**15,567.30**
Accrued expenses	-	-	-	-	-	4,026.69
						19,593.99

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment				TOTAL
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	576.30	11.94	-	-	-	588.24
(ii) Others						
Acceptances	6,364.55	-	-	-	-	6,364.55
Other than acceptances	1,826.66	405.40	16.73	0.94	12.26	2,261.99
(iii) Disputed dues - Others	-	-	-	0.28	-	0.28
	8,191.21	**405.40**	**16.73**	**1.22**	**12.26**	**8,626.82**
Accrued expenses						2,960.24
						11,587.06

21. Other financial liabilities - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Security deposit	48.21	45.53
Interest accrued but not due	87.38	2.10
Interest accrued and due	4.39	0.81
Creditors for capital expenditure	563.85	476.22
Unclaimed dividend (Refer below note (b))	1.56	2.87
Other	21.95	20.15
At FVTPL		
Derivative liability (Refer below note (a))	129.32	138.42
	856.66	**686.10**

Notes:

(a) Derivative Liability

(₹ million)

	31 March 2023	31 March 2022
Forward contract	26.97	-
Embedded derivatives	26.18	-
Commodity contracts	76.17	138.42
	129.32	**138.42**

(b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

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22. Other liabilities

A. Other liabilities - Non-Current

(₹ million)

	31 March 2023	31 March 2022
Deferred government grant (Refer below note (a))	139.88	160.07
Deferred liability	25.30	46.98
	165.18	**207.05**

B. Other liabilities - Current

(₹ million)

	31 March 2023	31 March 2022
Advance from customers		
Others	570.60	416.12
Contract liability (Refer below note (b))	905.32	1,435.57
Refund liability (Refer below note (c))	629.37	629.38
Deferred liability	25.30	23.49
Other statutory dues		
Employee recoveries and employer contributions	24.48	20.02
Taxes payable (Other than Income tax)	662.69	707.01
	2,817.76	**3,231.59**

Notes:

(a) Under Ind AS, government grants are recorded as deferred liabilities to the extent of unfulfilled export obligations. This amount has been recognised against deferred government grant and accrued to statement of profit and loss subsequently on fulfilment of export obligation. The Group expects to meet its export obligation during the next 3-5 years.

Reconciliation of Deferred government grant:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	160.07	258.31
Grants received during the year	129.18	57.07
Grants recognised for the year	(149.37)	(20.72)
Transferred to discontinued operation	-	(134.59)
At the end of the year	**139.88**	**160.07**

(b) **Reconciliation of Contract liabilities:**

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	1,435.57	1,805.39
Contract liability recognised during the year	2,437.34	816.45
Revenue recognised from amount included in contract liabilities	(2,967.59)	(1,186.27)
At the end of the year	**905.32**	**1,435.57**

(c) **Reconciliation of Refund liability:**

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	629.38	487.49
Arising during the year	719.45	663.87
Utilised during the year	(719.46)	(521.98)
At the end of the year	**629.37**	**629.38**

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23. Provisions

Accounting Policy:

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision is recognised for expected warranty claims and after sales services when the product is sold or service provided to the customer, based on past experience of the level of repairs and returns. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. It is expected that significant portion of these costs will be incurred in the next financial year and the total warranty-related costs will have been incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A. Provisions - Non-Current

(₹ million)

	31 March 2023	31 March 2022
Provision for employee benefits (Refer note 30)		
Gratuity	149.60	141.09
Compensated absences	137.61	123.18
Others (Refer note below)	162.53	-
	449.74	**264.27**

Note: Reconciliation of Others

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	-	-
Arising during the year	162.53	-
Utilised during the year	-	-
At the end of the year	**162.53**	**-**

Others includes matters relating to indirect tax matters.

B. Provisions - Current

(₹ million)

	31 March 2023	31 March 2022
Provision for employee benefits (Refer note 30)		
Gratuity	127.92	118.55
Compensated absences	30.63	26.61
Provision for warranty (Refer note below)	109.02	108.64
	267.57	**253.80**

Note: Reconciliation of warranty provision

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	108.64	107.23
Arising during the year	99.20	78.23
Utilised during the year	(98.82)	(76.82)
At the end of the year	**109.02**	**108.64**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

24. Revenue from operations

Accounting Policy

IND AS 115 was made effective from 1 April 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard replaced IND AS 18 & IND AS 11 and interpretations on revenue recognition related to sale of goods and services. The Group has applied the modified retrospective approach and accordingly has included the impact of Ind AS 115.

(i) Measurement of Revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue.

(ii) Performance obligations:

(a) Sale of goods

Revenue from contracts with customers involving sale of these products is recognised at a point in time when control of the product has been transferred at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. At contract inception, the Group assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognised when control of goods are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The point of time of transfer of control to customers depends on the terms of the trade - CIF, CFR or DDP, ex-works, etc.

(b) Revenue from construction contracts

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, the same may not be possible if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In some circumstances, if the Group is not able to reasonably measure the outcome of a performance obligation, but expects to recover the costs incurred in satisfying the performance obligation, the Group shall recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. The timing of the transfer of control varies depending on individual terms of the sales agreements.

The total costs of contracts are estimated based on technical and other estimates. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit and Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract.

In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

(iii) Variable consideration

It includes volume discounts, price concessions, liquidity damages, incentives, etc. the Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Group adjust estimate of revenue at the earlier of when the most likely amount of consideration the Group expect to receive changes or when the consideration becomes fixed.

(iv) Schemes

The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, kind etc. Revenue from contract with customer is presented deducting cost of all these schemes.

(v) Significant financing components

In respect of advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

(vi) Warranty

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty as per note 23. In certain contracts, the Group provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two separate performance obligations, because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability at the time of recognition of revenue. Revenue allocated towards service-type warranty is recognised over a period of time on a basis appropriate to the nature of the contract and services to be rendered.

(vii) Right to return

When a contract provides a customer with a right to return the goods within a specified period, the Group estimates the expected returns using a probability-weighted average amount approach similar to the expected value method under Ind AS 115.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return. Consequently, the Group recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

For goods expected to be returned, the Group presented a refund liability and an asset for the right to recover products from a customer separately in the balance sheet.

(viii) Onerous Contracts:

A provision for onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on assets associated.

(ix) Export incentives

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable

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assurance to receive such revenue is established. Export incentives income is recognised in the statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

(x) Cost to obtain a contract

Any costs to obtain a contract or incremental costs to fulfil a contract are recognised as an asset if certain criteria are met as per Ind AS 115.

The Group applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less.

(xi) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it's recognition as income in the Statement of Profit and Loss is linked to fulfilment of associated export obligations.

The export incentive and grants received are in the nature of other operating revenue in the Statement of Profit and Loss.

Revenue from operations

(₹ million)

	31 March 2023	31 March 2022
Revenue from contracts with customers		
Revenue on sale of products		
Finished goods	126,762.74	109,365.45
Traded goods	9,020.11	8,793.38
Revenue from construction contracts	3,636.05	1,888.49
	139,418.90	**120,047.32**
Other operating revenue		
Job work income	4.17	8.81
Scrap sales	1,310.20	1,763.91
Total revenue from contracts with customers	**140,733.27**	**121,820.04**
Export incentives	21.15	24.13
Government grant	323.36	193.44
Total Revenue from operations	**141,077.78**	**122,037.61**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

Notes:

(a) Disaggregated revenue information

(₹ million)

	31 March 2023	31 March 2022
Type of Goods or Services		
Wires & Cables	123,202.82	106,301.61
Fast Moving Electrical Goods (FMEG)	12,404.00	12,501.64
Revenue from construction contracts	3,636.05	1,888.49
Others	1,490.40	1,128.30
Total revenue from contracts with customers	**140,733.27**	**121,820.04**
Location of customer		
India	126,898.04	112,590.78
Outside India	13,835.23	9,229.26
Total revenue from contracts with customers	**140,733.27**	**121,820.04**
Timing of revenue recognition		
Goods transferred at a point in time	137,076.80	119,887.54
Goods and Services transferred over a period of time	3,656.47	1,932.50
Total revenue from contracts with customers	**140,733.27**	**121,820.04**
Revenue from B2B and B2C Vertical		
Business to Consumer	46,334.33	46,241.07
Business to Business	92,193.70	74,625.78
Others (i)	2,205.24	953.18
Total revenue from contracts with customers	**140,733.27**	**121,820.04**

Note: (i) Others includes discounts, scrap sales, raw material sales and job work income.

(b) Reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

(₹ million)

	31 March 2023	31 March 2022
Total revenue from contracts with customers	140,733.27	121,820.04
Export incentives(i)	21.15	24.13
Government grant(ii)	323.36	193.44
Other income excluding finance income	387.05	402.31
Total income as per Segment (Refer note 38)	**141,464.83**	**122,439.92**

Notes:

(i) Export incentive includes Merchandise Export from India Scheme (MEIS) incentives, Remission of Duties and Taxes on Export Products (RoDTEP) and duty drawback incentives.

(ii) Government grant includes advance licence benefits and deferred income released to the statement of profit and loss on fulfilment of export obligation under the export promotion capital goods (EPCG) scheme.

(c) Reconciliation between revenue with customers and contracted price as per Ind AS 115:

(₹ million)

	31 March 2023	31 March 2022
Revenue as per contracted price	142,651.06	124,464.59
Less : Adjustments		
Price adjustments such as Discounts, Rebates and Sales Promotion Schemes	(2,502.18)	(1,213.72)
Contract liabilities (excess billing over revenue recognised as per applicable Ind-AS)	530.25	(1,435.57)
Provisions for expected sales return	-	(141.90)
Other adjustments	19.86	39.73
Contract assets (Unbilled Revenue - EPC)	34.28	106.91
Revenue from contract with customers	**140,733.27**	**121,820.04**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

(d) **Disclosure in terms of Ind AS 115 on the accounting of construction contract is as under:**

(₹ million)

	31 March 2023	31 March 2022
Contract revenue recognised for the year ended	3,636.05	1,888.49
Contract that are in progress as on reporting date		
(i) Contract costs incurred and recognised profits (less recognised losses)	3,636.05	1,888.49
(ii) Amount of retentions*	523.73	796.10
(iii) Contract balances recognised and included in financial statement as:		
Contract asset	135.54	95.09
Contract liabilities	905.32	1,435.57

*Retentions are specific to projects and are generally receivable within 6 months from completion of project.

(e) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. Provision for expected credit losses on trade receivables recognised/ (derecognised) during the year of ₹(31.16) million (31 March 2022: ₹(150.04) million). The Group has channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Group does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks.

(f) No single customer contributed 10% or more to the Group's revenue for the year ended 31 March 2023 and 31 March 2022

(g) Contract assets are initially recognised for revenue earned from installation services as receipt of consideration is conditional on successful completion of installation. Upon completion of installation and acceptance / certifications by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The increase in contract assets as on 31 March 2023 is on account of unbilled revenue booked for which the billing will be done subsequently. During the year ₹6.17 million (31 March 2022: ₹ Nil) was reduced from the provision for expected credit losses on contract assets.

(h) Contract liabilities include advances received towards EPC projects as well as transaction price allocated to unexpired service contracts. The outstanding balances of these accounts decreased in financial year 2022-23 due to the revenue recognition against the advance from customers received in the previous years for the projects which got closed in the current year.

(i) Set out below is the amount of revenue recognised from:

(₹ million)

	31 March 2023	31 March 2022
Amounts included in contract liabilities at the beginning of the year	2,967.59	1,186.27
Performance obligations satisfied in previous years	106.92	399.02

(j) Right of return assets and refund liabilities as at year end:

(₹ million)

	31 March 2023	31 March 2022
Right of return assets	286.19	287.24
Refund liabilities	629.37	629.38

(k) Allocation of the transaction price to the remaining performance obligations:

(₹ million)

	31 March 2023	31 March 2022
Within one year	7,607.29	2,868.67
More than one year	6,455.57	3,649.41
	14,062.86	**6,518.08**

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25. Other income

Accounting Policy

Other income is comprised primarily of interest income, dividend income, gain on investments and exchange gain on forward contracts and on translation of other assets and liabilities.

Interest income on financial asset measured either at amortised cost or FVTPL is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Foreign Currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian rupee (₹), which is the Parent Company's functional and presentation currency.

The Group's Financial Statements are presented in Indian rupee (₹) which is also the Group's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency item at the balance sheet date:

(i) Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

(ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(iii) **Exchange differences**

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit and Loss.

(₹ million)

	31 March 2023	31 March 2022
(a) Interest income on financial assets		
Carried at amortised cost		
Bank deposits	237.41	174.80
Others (refer note (i) below)	55.01	80.90
Carried at FVTPL		
Others	2.64	13.60
(b) Income from Investments designated at FVTPL		
Gain on liquid/overnight mutual funds	614.32	224.10
Fair valuation on gain on overnight mutual funds	36.83	3.52
(c) Fair value gain / loss on financial instruments		
Derivatives at FVTPL (refer note (ii) below)	30.02	-
(d) Other non-operating income		
Exchange differences (net)	184.39	316.92
Gain on sale of property, plant and equipment	97.88	-
Gain on termination of lease	3.29	5.79
Sundry balances written back	1.35	15.47
Miscellaneous income	70.12	64.13
	1,333.26	**899.23**

(i) Includes interest on Income Tax refund of ₹1.03 million (31 March 2022: ₹13.90 million) (refer note 12).

(ii) Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

26. Cost of materials consumed

(₹ million)

	31 March 2023	31 March 2022
Inventories at the beginning of the year	5,830.04	8,389.44
Add: On account of acquisition through business combination	-	0.21
Add: Purchases	104,958.35	89,482.92
	110,788.39	**97,872.57**
Less: Inventories at the end of the year	(13,076.84)	(5,830.04)
Cost of materials consumed	**97,711.55**	**92,042.53**

Note:

Details of Material Consumed

(₹ million)

	31 March 2023	31 March 2022
Copper	57,057.59	54,068.88
Aluminium	17,201.80	16,358.62
Steel	3,459.72	2,731.56
PVC Compound/HDPE/LDPE/XLPE/Resin	12,883.64	11,768.86
Packing materials	2,539.71	2,011.99
Others *	4,569.09	5,102.62
	97,711.55	**92,042.53**

* Others includes Raw material for consumer products

27. Purchases of stock-in-trade

(₹ million)

	31 March 2023	31 March 2022
Electrical wiring accessories	252.02	300.55
Electrical appliances	4,697.50	4,711.46
Others	749.60	1,415.01
	5,699.12	**6,427.02**

28. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ million)

	31 March 2023	31 March 2022
Inventory at the beginning of the year		
Finished goods	11,182.82	8,053.45
Stock-in-trade	1,893.49	1,178.71
Scrap materials	524.88	237.49
Work-in-progress	2,208.54	1,417.27
	15,809.73	**10,886.92**
Inventory at the end of the year		
Finished goods	11,090.39	11,182.82
Stock-in-trade	1,743.00	1,893.49
Scrap materials	432.44	524.88
Work-in-progress	2,197.14	2,208.54
	15,462.97	**15,809.73**
Add: On account of acquisition through business combination	-	4.14
Less: Transferred to discontinued operation	-	8.84
Changes in Inventories	**346.76**	**(4,927.51)**

29. Project bought outs and subcontracting cost

(₹ million)

	31 March 2023	31 March 2022
Project bought outs	1,042.00	779.34
Subcontracting expenses for EPC	309.53	335.38
	1,351.53	**1,114.72**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

30. Employee benefits expense

Accounting Policy

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, incentives, special awards, medical benefits etc. and the expected cost of ex-gratia are charged to the Statement of Profit and Loss account in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Compensated absences

The Group estimates and provides the liability for such short-term and long term benefits based on the terms of the policy. the Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit and Loss and are not deferred.

(iii) Defined contribution plans

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Group recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. the Group has no obligation, other than the contribution payable to the funds. the Group's contributions to defined contribution plans are charged to the Statement of Profit and Loss as incurred.

(iv) Defined benefit plan

The Group operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Share based payment

Equity settled share based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any is, recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the ESOP outstanding account (Refer note 15(g)).

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (Refer note 34).

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Salaries, wages and bonus	4,078.00	3,579.59
Employees share based payment expenses	107.61	161.16
Contribution to provident and other funds	240.24	206.19
Staff welfare expense	141.87	119.34
	4,567.72	**4,066.28**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.

Gratuity and other post-employment benefit plans

(A) Defined Benefit Plan

Gratuity valuation - As per actuary

In respect of Gratuity, the Group makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Group has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method.

Defined benefit plans expose the Group to actuarial risks such as

(i) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(iii) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(iv) Asset liability matching risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(v) Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(vi) Concentration risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk.

(vii) Variability in withdrawal rates

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(viii) Regulatory Risk

Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments.

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for the year ended 31 March 2023

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Group operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The most recent actuarial valuation of the plan assets and the present value of defined obligation were carried out as at 31 March 2023 by an external independent fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity.

Statement of Profit and Loss

Net employee benefits expense recognised in profit or loss:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	77.04	69.81
Net interest cost	17.26	17.83
Past service cost	1.00	1.00
Net benefits expense	**95.30**	**88.64**

Net remeasurement (gain)/ loss on defined benefit plans recognised in Other comprehensive income for the year:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gain) /loss on obligations	(35.71)	(2.98)
Return on plan assets, excluding interest income	0.66	(13.50)
Net (Income)/Expense for the year recognised in OCI	**(35.05)**	**(16.48)**

Balance Sheet

Benefits liability:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Present value of defined benefit obligation	(679.63)	(639.61)
Fair value of plan assets	402.11	379.97
Plan liability	**(277.52)**	**(259.64)**

Changes in the present value of the defined benefit obligation are as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening defined benefit obligation	639.61	579.99
Interest cost	43.36	37.93
Current service cost	77.04	69.80
Liability transferred in/ acquisition	-	5.37
Benefits paid	(44.56)	(50.31)
Actuarial (gains)/losses on obligations		
Due to change in demographics assumptions	(0.12)	0.40
Due to change in financial assumptions	(26.22)	(16.84)
Due to experience	(9.49)	13.27
Closing defined benefit obligation	**679.63**	**639.61**

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

Changes in the fair value of plan assets are as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening fair value of plan assets	379.97	309.54
Interest income	25.53	20.09
Contribution by employer	40.25	87.15
Benefits paid	(42.92)	(50.31)
Actuarial gains	(0.73)	13.50
Closing fair value of plan assets	**402.11**	**379.97**

The Group expects to contribute ₹127.92 million towards gratuity in the next year (31 March 2022: ₹118.55 million).

Current and Non-Current bifurcation of provision for gratuity as per actuarial valuation is as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Non-current	149.60	141.09
Current	127.92	118.55

The category of plan assets as a percentage of the fair value of total plan assets is as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Investment with insurer	100%	100%

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.39%	6.85%
Expected rate of return on plan assets	7.39%	6.85%
Employee turnover	10.00%	10.00%
Salary escalation	11.00%	11.00%
Weighted average duration	8	9
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality rate after employment	N.A.	N.A.

The average expected future service as at 31 March 2023 is 7 years (31 March 2022 - 7 years).

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

Sensitivity analysis

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Projected benefit obligation on current assumptions	678.21	639.61
Delta effect of +1% change in rate of discounting	(45.55)	(42.36)
Delta effect of -1% change in rate of discounting	48.44	48.50
Delta effect of +1% change in rate of salary increase	46.25	46.94
Delta effect of -1% change in rate of salary increase	(44.58)	(42.13)
Delta effect of +1% change in rate of employee turnover	(12.73)	(12.33)
Delta effect of -1% change in rate of employee turnover	10.83	13.77

Methodology for Defined Benefit Obligation:

The Projected Unit Credit (PUC) actuarial method has been used to assess the plan's liabilities, including those related to death-in-service and incapacity benefits.

Under PUC method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits for active members.

Projected benefits payable in future years from the date of reporting

Maturity analysis of projected benefit obligation from the fund:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
1st following year	63.22	53.68
2nd following year	58.89	53.18
3rd following year	64.07	56.75
4th following year	71.33	63.13
5th following year	68.22	65.82
Sum of years 6 to 10	305.31	268.72
Sum of years 11 years and above	661.84	611.80

(B) Other defined benefit and contribution plans

Provident Fund

The Group contribute towards Provident Fund to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group contributes towards Provident Fund managed by Central Government and has recognised ₹89.62 million (31 March 2022 - ₹66.57 million) for provident fund contributions in the Statement of Profit and Loss.

Pension Fund

Contribution to National Pension Scheme, a defined contribution scheme, is made at predetermined rates to the asset management companies under National Pension Scheme and is charged to the Statement of Profit and Loss. The Group contribution has recognised ₹13.99 million (31 March 2022 ₹12.27 million) for contribution to National Pension Scheme in the Statement of Profit and Loss.

Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation as at balance sheet date except for Halol worker in pursuance of the Group's leave rules. The actuarial valuation done as per Project Unit Credit Method except for Halol worker.

The leave obligation cover the Group's liability for earned leave. The amount of the provision of ₹137.61 million (31 March 2022 ₹123.18 million) is presented as non-current and ₹30.63 million (31 March 2022 ₹26.61 million) is presented as current. The Group has recognised ₹38.53 million (31 March 2022 ₹52.41 million) for compensated absences in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

31. Finance cost

Accounting Policy

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing cost includes interest expense on financial liabilities, interest on tax matters, exchange differences arising from the foreign currency borrowings, gain/loss on fair value of forward cover and it's premium and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(₹ million)

	31 March 2023	31 March 2022
Interest expense on financial liabilities at amortised cost (i)	408.69	128.70
Interest expense on financial liabilities at FVTPL	32.86	33.02
Other borrowing costs (ii)	156.02	190.18
	597.57	**351.90**

(i) Interest expense includes ₹12.79 million (31 March 2022 ₹16.03 million) paid / payable to Income Tax Department.

(ii) Other borrowing costs would include bank commission charges, bank guarantee charges, letter of credit charges, premium on forward contract, fair value loss/(gain) on forward contracts, other ancillary costs incurred in connection with borrowings.

32. Depreciation and amortisation expenses

(₹ million)

	31 March 2023	31 March 2022
Depreciation of Property, Plant and Equipment (Refer note 3)	1,912.44	1,826.89
Depreciation of right-of-use assets (Refer note 4)	132.83	147.53
Amortisation of other intangible assets (Refer note 5)	46.37	40.77
	2,091.64	**2,015.19**

Notes to Consolidated Financial Statements
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33. Other expenses

(₹ million)

	31 March 2023	31 March 2022
Consumption of stores and spares	725.37	725.80
Sub-contracting expenses	2,369.84	2,175.97
Power and fuel	1,837.51	1,439.82
Rent	57.09	66.66
Rates and taxes	104.33	87.12
Insurance	97.41	89.26
Repairs and maintenance		
Plant and machinery	43.50	39.54
Buildings	47.28	113.74
Others	106.18	99.00
Advertising and sales promotion	1,244.04	822.69
Brokerage and commission	525.65	406.32
Travelling and conveyance	504.82	374.92
Communication cost	41.06	31.77
Legal and professional fees	894.23	719.37
Director sitting fees	4.42	5.36
Freight & forwarding expenses	3,146.09	2,739.87
Payments to auditor (Refer note (a) below)	11.88	11.12
Sundry advances written off	3.77	44.59
Loss on sale of property, plant and equipment and non-current assets held for sale	-	11.83
Derivatives at FVTPL (Refer below note (b))	-	85.72
Impairment allowance for trade receivable considered doubtful (Refer note 7 and 13)	(31.16)	(150.04)
CSR expenditure (Refer note (c) below)	228.58	194.00
Miscellaneous expenses	918.07	528.15
	12,879.96	**10,662.58**

Notes:

(a) Payments to auditor:

(₹ million)

	31 March 2023	31 March 2022
As auditor		
(i) Audit fee	10.85	10.32
(ii) Certification fees	0.25	0.25
(iii) Out of pocket expenses	0.78	0.55
	11.88	**11.12**

(b) Loss on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Notes to Consolidated Financial Statements

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(c) Details of Corporate Social Responsibility expenses incurred by Parent Company:

(₹ million)

		31 March 2023	31 March 2022
Gross amount required to be spent by the Parent Company during the year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.	(A)	213.33	185.48
Gross amount spent by the Parent Company during the year			
(i) Construction / acquisition of any asset		-	-
(ii) On purposes other than (i) above:			
Rural and Community Development		10.12	9.38
Education		28.06	73.43
Health Care		99.55	89.09
Environment		57.76	17.51
Social Empowerment		17.23	-
National Heritage Art & Culture		7.27	-
Administration cost		4.80	2.48
Total CSR spent in actual	(B)	**224.79**	**191.89**
Shortfall/(Excess)	(A-B)	**(11.46)**	**(6.41)**
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (contributed to Polycab Social Welfare Foundation ("PSWF") where KMP's are interested)		224.79	191.89
Where a provision is made in accordance with paragraph above the same should be presented as per the requirements of Schedule III to the Act. Further, movements in the provision during the year should be shown separately		-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year		-	-
The total of previous years' shortfall amounts		-	-
The reason for above shortfalls by way of a note		NA	NA

(d) The unspent amount on ongoing projects as at 31 March 2022 aggregating to ₹36.20 million was deposited in separate CSR unspent accounts by PSWF. Total amount of ₹38.38 million has been spent during the current financial year ended 31 March 2023 by utilising the above balance and the excess spent is out of surplus income during financial year ending 31 March 2023.

34. Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Notes to Consolidated Financial Statements

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Employee Stock Option Plan 2018

Pursuant to the resolutions passed by the Group's Board on 30 August 2018 and our Shareholders on 30 August 2018, the Company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 3,530,000 Equity Shares. The Group reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit.

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018

The Group also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under "Performance Scheme" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

(a) Basic Earnings per share

			31 March 2023	31 March 2022
Continuing Operations				
Profit for the year	₹ in million	A	12,699.50	8,365.24
Weighted average number of equity shares for basic earning per share *	Number	B	149,631,506	149,268,712
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**84.87**	**56.04**
Discontinuing Operations				
Profit for the year	₹ in million	A	-	720.53
Weighted average number of equity shares for basic earning per share *	Number	B	149,631,506	149,268,712
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**-**	**4.83**
Continuing Operations and Discontinuing Operations				
Profit for the year	₹ in million	A	12,699.50	9,085.77
Weighted average number of equity shares for basic earning per share *	Number	B	149,631,506	149,268,712
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**84.87**	**60.87**

(b) Diluted Earnings per share

			31 March 2023	31 March 2022
Weighted average number of equity shares for basic earning per share *	Number	A	149,631,506	149,268,712
Effect of dilution				
Share options	Number	B	468,199	654,432
Weighted average number of equity shares adjusted for effect of dilution	Number	C=(A+B)	**150,099,705**	**149,923,144**
Continuing Operations				
Profit for the year	₹ in million	A	12,699.50	8,365.24
Weighted average number of equity shares for basic earning per share *	Number	B	150,099,705	149,923,144
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**84.61**	**55.80**
Discontinuing Operations				
Profit for the year	₹ in million	A	-	720.53
Weighted average number of equity shares for basic earning per share*	Number	B	150,099,705	149,923,144
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**-**	**4.81**
Continuing Operations and Discontinuing Operations				
Profit for the year	₹ in million	A	12,699.50	9,085.77
Weighted average number of equity shares for basic earning per share *	Number	B	150,099,705	149,923,144
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**84.61**	**60.60**

* Refer note 15(a) for movement of shares

Note: There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

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35. Discontinued Operations

During the financial year 2021-22, the Group had divested its 100% stake in Ryker Base Private Limited, a wholly-owned subsidiary, for a consideration of ₹1,778.92 million. Consequently, Ryker's operations including gain on disposal of Ryker of ₹817.22 million had recognised as discontinuing operations and related comparatives were restated in accordance with the applicable Ind-AS. Statement of Profit and Loss is prepared after elimination of intercompany transactions. Being a discontinued operation, that segment is no longer presented in the segment note.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

(₹ million)

	01 April 2021 to 17 November 2021
INCOME	
Revenue from operations	3,452.76
Other income	28.81
Total income	**3,481.57**
EXPENSES	
Cost of materials consumed	2,813.11
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.92
Employee benefits expense	52.14
Finance cost	119.82
Depreciation and amortisation expense	72.87
Other expenses	284.68
Total expenses	**3,345.54**
Profit before share of profit/(loss) of joint ventures	**136.03**
Share of profit/(loss) of joint ventures (net of tax)	-
Profit before tax and exceptional items	**136.03**
Gain on disposal of discontinued operations	817.22
Profit before tax	**953.25**
Tax expenses	
Current tax	197.60
Deferred tax charge	35.12
Total tax expense	**232.72**
Profit for the year from discontinuing operations	**720.53**
Other comprehensive income	
Items that will not be reclassified to profit or loss	
Re-measurement gains / (losses) on defined benefit plans	(0.18)
Income tax relating to items that will not be reclassified to Profit or Loss	0.04
Other comprehensive income of discontinuing operations for the year, net of tax	**(0.14)**
Total comprehensive income of discontinuing operations for the year, net of tax	**720.39**

The net cash flows generated from the sale of Ryker Base Private Limited are as follows:

(₹ million)

	Year ended 31 March 2022
Cash received from sale of the discontinued operations (net of TDS)	1,777.14
Cash sold as a part of discontinued operations	(312.29)
	1,464.85

The net cash flows generated/(incurred) by Ryker Base Private Limited are as follows:

(₹ million)

	01 April 2021 to 17 November 2021
Operating	456.49
Investing	(99.69)
Financing	(432.48)
	(75.68)

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Earnings per share

(₹ million)

	01 April 2021 to 17 November 2021
Discontinuing Operations	
Basic (₹)	4.83
Diluted (₹)	4.81

36. Contingent liabilities and commitments

Accounting Policy

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses it's existence in the financial statements.

Capital commitments includes the amount of purchase orders (net of advances) issued to parties for completion of assets.

(A) Contingent liabilities (to the extent not provided for)

(₹ million)

		31 March 2023	31 March 2022
(i)	Taxation matters		
	Disputed liability in respect of sales tax /VAT demand and pending sales tax/VAT forms	0.64	1.86
	Disputed liability in respect of service tax duty demand	18.17	18.17
	Disputed liability in respect of excise duty demand	8.60	8.60
	Disputed liability in respect of custom duty demand	17.08	17.08
(ii)	Customs Duty on Capital goods imported under Export Promotion Capital Goods Scheme, against which export obligation is to be fulfilled	42.77	46.23
(iii)	Customs Duty on Raw Materials imported under Advance License, against which export obligation is to be fulfilled	209.59	190.07

Notes:

(a) In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Group doesn't expect the outcome of matters stated above to have a material adverse effect on the Group's financial conditions, result of operations or cash flows.

(b) There is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Honourable Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

(B) Commitments

(₹ million)

		31 March 2023	31 March 2022
(i)	Capital commitments		
	(Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances))		
	Towards Property, Plant and Equipment	4,285.95	2,281.66

Note: For Lease commitments, refer note 4

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

37. Related party disclosure

(A) Enterprises where control exists

	Country of incorporation	Ownership interest (%)	
		31 March 2023	31 March 2022
Joint Ventures			
Techno Electromech Private Limited (TEPL)	India	50%	50%

(B) Enterprises owned or significantly influenced by Key Management Personnel

AK Enterprises (AK)
Dowells Elektro Werke (DEW)
Dowells Electricals (DE)
D J Electricals Private Limited (DJEPL)
Tirupati Tradelinks Private Limited (TTPL)
Polycab Social Welfare Foundation
EPMR Australia Pty Ltd
Transigo Fleet LLP
Asia Trade Link Corporation
Newland Global Group Pty Ltd
Shreeji Traders
Bootbhavani Fabricators
S.B. Enterprise
T.P. Ostwal & Associates LLP

(C) Key Management Personnel

(i) Executive Directors

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. Ramesh T. Jaisinghani	Whole-time Director (up to 12 May 2021)
Mr. Ajay T. Jaisinghani	Whole-time Director (up to 12 May 2021)
Mr. Shyam Lal Bajaj	Whole-time Director (up to 12 May 2021)
Mr. Rakesh Talati	Whole-time Director (w.e.f. 13 May 2021)
Mr. Bharat A. Jaisinghani	Whole-time Director (w.e.f. 13 May 2021)
Mr. Nikhil R. Jaisinghani	Whole-time Director (w.e.f. 13 May 2021)
Mr. Gandharv Tongia[(a)]	Executive Director and Chief Financial Officer

(ii) Non- Executive Directors

Mr. R S Sharma	Independent Director
Mr. T P Ostwal	Independent Director
Mr. Pradeep Poddar	Independent Director
Ms. Sutapa Banerjee	Independent Director (w.e.f. 13 May 2021)
Ms. Manju Agarwal	Independent Director (w.e.f. 19 January 2023)
Ms. Hiroo Mirchandani	Independent Director (upto 12 May 2021)

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(iii) Key Management Personnel

Ms. Manita Carmen A. Gonsalves	Company secretary and Head legal

(iii) Relatives of Key Management Personnel

Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Ms. Ritika Nikhil Jaisinghani	Wife of Mr. Nikhil R. Jaisinghani
Ms. Kiara Duhlani	Daughter of Mr. Ajay T. Jaisinghani
Ms. Deepika Sehgal	Daughter of Mr. Ramesh T. Jaisinghani
Ms. Jayshriben Talati	Wife of Mr. Rakesh Talati

(a) Appointed as Executive director w.e.f. 19 January 2023.

(D) Transactions with Group companies

(₹ million)

		Year ended 31 March 2023	Year ended 31 March 2022
(i) Sale of goods (including GST)			
Techno Electromech Private Limited	Joint Venture	0.02	36.79
(ii) Purchase of goods (including GST)			
Techno Electromech Private Limited	Joint Venture	700.78	951.04
(iii) Sub-contracting expense (including GST)			
Techno Electromech Private Limited	Joint Venture	4.49	23.33
(iv) Interest received			
Techno Electromech Private Limited	Joint Venture	9.00	13.32
(v) Testing charges paid (including GST)			
Techno Electromech Private Limited	Joint Venture	0.15	0.81
(vi) Loan given repaid			
Techno Electromech Private Limited	Joint Venture	-	15.21

(E) Outstanding as at the year end

(₹ million)

		Year ended 31 March 2023	Year ended 31 March 2022
(i) Loans given			
Techno Electromech Private Limited	Joint Venture	100.00	100.00
(ii) Trade Receivables			
Techno Electromech Private Limited	Joint Venture	33.48	33.67
(iii) Interest accrued on loan given			
Techno Electromech Private Limited	Joint Venture	2.00	2.91
(iv) Others Receivables			
Techno Electromech Private Limited	Joint Venture	85.19	85.19
(v) Advance given for material and services			
Techno Electromech Private Limited	Joint Venture	169.10	-
(vi) Trade Payables			
Techno Electromech Private Limited	Joint Venture	34.92	50.59

Notes to Consolidated Financial Statements
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(F) Transactions with KMP

(i) Remuneration paid for the year ended and outstanding as on: [(a)]

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
CMD and Whole-time director				
Salaries, wages, bonus, commission and other benefits	292.13	182.55	203.81	103.10
Contribution to PF, Family Pension and ESI	1.06	-	0.77	-
ESOP Expenses	1.84	-	3.06	-
Independent director				
Director sitting fees	4.42	-	9.36	-
Commission	10.63	10.63	6.00	9.00
Key management personnel (excluding CMD and WTD)				
Salaries, wages, bonus, commission and other benefits	30.54	6.05	26.03	5.00
Contribution to PF, Family Pension and ESI	0.04	-	0.04	-
ESOP Expenses	1.23	-	2.76	-
Remuneration to other related parties				
Salaries, wages, bonus, commission and other benefits	2.04	0.01	4.73	0.51
Contribution to PF, Family Pension and ESI	0.07	-	0.02	-

(a) As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the directors and KMP are not included above.

(ii) Sale of fixed assets to KMP (including GST)

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Mr. Inder T. Jaisinghani	-	-	2.63	-
Mr. Ajay T. Jaisinghani	-	-	3.18	-
Mr. Bharat A. Jaisinghani	-	-	1.14	-
Mr. Girdhari T. Jaisinghani	-	-	2.23	-
Mrs. Ritika Nikhil Jaisinghani	-	-	4.08	-

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(iii) Transactions with enterprises owned or significantly influenced by key managerial personnel

(₹ million)

	Nature of transaction	31 March 2023		31 March 2022	
		For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Polycab Social Welfare Foundation	Donation	224.79	-	191.89	-
Transigo Fleet LLP	Professional fees	19.12	4.37	16.91	1.46
AK Enterprises	Reimbursement of Electricity Expense	1.42	-	1.34	-
AK Enterprises*	Rent paid (including GST)	29.17	-	29.17	2.33
Bootbhavani Fabricators	Purchase of goods (including GST)	0.14	-	-	-
Bootbhavani Fabricators	Purchase of Plant and equipments	89.39	-	-	-
S.B. Enterprise	Purchase of goods (including GST)	5.26	-	-	-
S.B. Enterprise	Purchase of Plant and equipments	22.50	-	-	-
Shreeji Traders	Purchase of goods (including GST)	-	-	0.02	-
T.P. Ostwal & Associates LLP	Professional fees for tax advisory	-	-	0.16	-
Tirupati Tradelinks Private Limited	Sub Contracting Exp (Net)	-	-	0.19	-
Tirupati Tradelinks Private Limited	Purchase of goods	293.53	26.90	203.28	60.24
Tirupati Tradelinks Private Limited	Interest paid	-	-	0.07	0.07
Newland Global Group Pty Ltd	Professional fees	1.21	-	0.55	-
EPMR Australia Pty Ltd	Commission paid	-	-	2.47	-
EPMR Australia Pty Ltd	Advertising and sales promotion	-	-	0.34	-
Asia Trade-Link Corporation	Sale of goods	-	-	2.76	-
Dowells Elektro Werke	Other Receivables	-	-	-	0.05

*Security deposit given to AK Enterprises amounting to ₹6.17 million (31 March 2022 : ₹6.17 million).

(G) Transactions with relatives of KMP:

Rent paid for the period ended and outstanding as at:

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Mrs. Jayshriben Talati	0.59	-	0.49	-

(H) Terms and conditions of transactions with related parties:

i. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement.

ii. Guarantees are issued by the Group in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

iii. For the year ended 31 March 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

38. Segment reporting

Accounting Policy

Identification of segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company's chief operating decision maker is Chairman and Managing Directors.

The Board of Directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

Segment revenue and expenses

1. It has been identified to a segment on the basis of relationship to operating activities of the segment.
2. The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.
3. Intersegment revenue and profit is eliminated at group level consolidation.
4. Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Group level for segment reporting as the underlying instruments are managed at Group level.

Segment assets and liabilities

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

The accounting policies of the reportable segments are same as that of Group's accounting policies described.

No operating segments have been aggregated to form the above reportable operating segments. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

The group is organised into business units based on its products and services and has three reportable segments as follows:

Wires and Cables: Manufacture and sale of wires and cables.

Fast moving electrical goods (FMEG): Fans, LED lighting and luminaires, switches, switchgears, solar products, pumps, conduits and domestic appliances.

Copper: Manufacturing, selling and job work on Copper rods and wires (Discontinued from 18 November 2021)

Others: It comprise of EPC business which includes design, engineering, supply of materials, survey, execution and commissioning of power distribution, rural electrification projects on a turnkey basis.

Notes to Consolidated Financial Statements
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(A) The following summary describes the operations in each of the Group's reportable segments:

(₹ million)

	31 March 2023					31 March 2022					
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Copper*	Others	Eliminations	Total
External sales	125,368.92	12,511.57	3,584.34	-	141,464.83	106,953.30	12,543.83	-	2,942.79	-	122,439.92
Inter segment revenue	2,406.11	95.80	1,062.74	(3,564.65)	-	984.76	-	-	759.03	(1,743.79)	-
Total Income	**127,775.03**	**12,607.37**	**4,647.08**	**(3,564.65)**	**141,464.83**	**107,938.06**	**12,543.83**	**-**	**3,701.82**	**(1,743.79)**	**122,439.92**
Segment Results											
External	16,446.66	(62.37)	432.27	-	16,816.55	10,405.22	196.22	-	437.66	-	11,039.11
Inter segment results	277.65	6.32	84.83	(368.80)	-	139.57	-	-	61.32	(200.89)	-
Segment/Operating results	**16,724.31**	**(56.05)**	**517.10**	**(368.80)**	**16,816.55**	**10,544.79**	**196.22**	**-**	**498.98**	**(200.89)**	**11,039.11**
Un-allocated items:											
Finance income					946.21						496.92
Finance costs					597.57						351.90
Share of profit/(loss) of joint venture (Net of tax)	-	(92.63)	-	-	(92.63)	-	(25.55)	-	-	-	(25.55)
Exceptional items					-						-
Profit before tax					**17,072.56**						**11,158.58**
Tax expenses											
Current tax					4,121.20						2,809.27
Deferred tax charge/ (credit)					128.83						(103.00)
Profit for the year from continuing operations					**12,822.53**						**8,452.31**
Profit for the year from discontinuing operations					-						720.53
Profit for the year					**12,822.53**						**9,172.84**
Depreciation & amortisation expenses	1,834.52	225.94	31.18	-	2,091.64	1,773.78	212.70	-	28.71	-	2,015.19
Non-cash expenses/ (Income) other than depreciation	20.87	39.84	(13.27)	-	47.44	50.14	64.71	-	1.72		116.57
Total cost incurred during the year to acquire segment assets (net of disposal)	3,157.10	1,329.38	97.67	-	4,584.18	4,048.15	1,091.27	-	60.61	-	5,200.03

* Discontinued operation

(B) Revenue by Geography

The amount of its revenue from external customers analysed by the country, in which customers are located, are given below:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Within India	127,629.60	113,210.66
Outside India	13,835.23	9,229.26
	141,464.83	**122,439.92**

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for the year ended 31 March 2023

(C) Segment assets

(₹ million)

	31 March 2023					31 March 2022					
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Copper*	Others	Eliminations	Total
Segment assets	57,421.60	7,496.62	4,531.18	-	69,449.40	49,395.56	7,754.41	-	3,491.26	-	60,641.23
Unallocated assets:											
Investment accounted for using the equity method					-						92.63
Current investments					13,504.95						7,640.51
Income tax assets (net)					251.89						479.46
Deferred tax assets (net)					13.45						0.09
Cash and cash equivalents and bank balance					6,958.86						4,197.41
Loans					103.47						126.80
Goodwill					46.22						46.22
Other unallocable assets					3,926.52						894.71
Total assets					**94,254.76**						**74,119.06**

(D) Segment liabilities

(₹ million)

	31 March 2023					31 March 2022					
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Copper*	Others	Eliminations	Total
Segment liabilities	18,500.79	2,462.44	2,355.51	-	23,318.74	10,280.46	2,697.31	-	2,726.23	-	15,704.00
Unallocated liabilities:											
Borrowings (Non-Current and Current, including Current Maturity)					1,551.43						831.35
Current tax liabilities (net)					348.87						159.52
Deferred tax liabilities (net)					422.68						271.84
Other unallocable liabilities					1,927.90						1,464.24
Total liabilities					**27,569.62**						**18,430.95**

* Discontinued operation

(E) Non-Current assets by geography

The total of non-current assets excluding financial assets and deferred tax assets analysed by the country in which assets are located are given below:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Within India	24,557.05	21,741.78
Outside India	-	-
	24,557.05	**21,741.78**

Notes to Consolidated Financial Statements

for the year ended 31 March 2023

39. Information for Consolidated Financial Statement pursuant to Schedule III of the Companies Act, 2013

For the year ended 31 March 2023

	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Polycab India Limited	98.54%	65,714.87	98.81%	12,670.46	90.68%	30.55	98.79%	12,701.01
Subsidiaries								
Indian								
Tirupati Reels Private Limited	0.28%	188.09	0.36%	46.07	0.12%	0.04	0.36%	46.11
Dowells Cable Accessories Private Limited	0.49%	329.45	1.00%	127.99	0.00%	-	1.00%	127.99
Steel Matrix Private Limited	0.00%	0.73	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Uniglobus electricals and electronics Private Limited	0.04%	28.85	-0.29%	(37.48)	-0.09%	(0.03)	-0.29%	(37.51)
Silvan Innovation Labs Private Limited	0.02%	11.80	-0.21%	(26.76)	0.21%	0.07	-0.21%	(26.69)
Polycab Support Force Private Limited	0.00%	1.60	0.01%	0.71	0.00%	-	0.01%	0.71
Polycab Electricals And Electronics Private Limited	0.00%	0.80	0.00%	(0.19)	0.00%	-	0.00%	(0.19)
Foreign								
Polycab Australia Pty Limited	0.05%	35.18	0.09%	11.34	8.96%	3.02	0.11%	14.36
Investment accounted for using the equity method								
Techno Electromech Private Limited	0.00%	-	-0.72%	(92.63)	0.00%	-	-0.72%	(92.63)
Non controlling interest								
Indian								
Tirupati Reels Private Limited	0.23%	153.89	0.29%	37.70	0.12%	0.04	0.29%	37.74
Dowells Cable Accessories Private Limited	0.33%	219.63	0.67%	85.33	0.00%	-	0.66%	85.33
Steel Matrix Private Limited	0.00%	0.25	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**66,685.14**	**100.00%**	**12,822.53**	**100.00%**	**33.69**	**100.00%**	**12,856.22**

For the year ended 31 March 2022

	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Polycab India Limited	98.49%	54,845.62	98.84%	9,066.86	9800.00%	0.98	98.86%	9,067.84
Subsidiaries								
Indian								
Tirupati Reels Private Limited	0.25%	141.95	0.37%	34.24	-500.00%	(0.05)	0.37%	34.19
Dowells Cable Accessories Private Limited	0.36%	201.45	0.78%	71.76	0.00%	-	0.78%	71.76
Steel Matrix Private Limited	0.00%	0.74	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Uniglobus electricals and electronics Private Limited	0.12%	66.37	-0.26%	(23.49)	-1300.00%	(0.13)	-0.26%	(23.62)
Silvan Innovation Labs Private Limited	0.07%	38.48	-0.61%	(55.83)	-23200.00%	(2.32)	-0.63%	(58.15)
Polycab Support Force Private Limited	0.00%	0.89	-0.02%	(1.70)	0.00%	-	-0.02%	(1.70)
Polycab Electricals And Electronics Private Limited	0.00%	0.99	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Foreign								
Polycab Australia Pty Limited	0.09%	48.29	0.21%	19.51	15700.00%	1.57	0.23%	21.08
Investment accounted for using the equity method								
Techno Electromech Private Limited	0.17%	92.63	-0.28%	(25.55)	0.00%	-	-0.28%	(25.55)
Non controlling interest								
Indian								
Tirupati Reels Private Limited	0.21%	116.15	0.31%	28.02	-400.00%	(0.04)	0.31%	27.98
Dowells Cable Accessories Private Limited	0.24%	134.30	0.64%	59.05	0.00%	-	0.64%	59.05
Steel Matrix Private Limited	0.00%	0.25	0.00%	-	0.00%	-		-
TOTAL	**100.00%**	**55,688.11**	**100.00%**	**9,172.84**	**100.00%**	**0.01**	**100.00%**	**9,172.85**

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for the year ended 31 March 2023

40. Financial Instruments and Fair Value measurements

A) Financial Instruments

Accounting Policy

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

(ii) **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit and Loss (i.e. fair value through Statement of Profit and Loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Statement of Profit and Loss under the fair value option.

(i) **Business Model test:** The objective of the Group's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

(ii) **Cash flow characteristics test:** The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) (i) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through Statement of Profit and Loss.

(iii) **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

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(a) The rights to receive cash flows from the asset have expired, or

(b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

The Group discloses analysis of the gain or loss recognised in the statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets.

(iv) **Impairment of financial assets**

The Group assesses impairment based on expected credit losses (ECL) model for the following:

(a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

(b) The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the

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for the year ended 31 March 2023

Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Group uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the of Statement of Profit and Loss.

Financial liabilities

(v) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

(vi) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(b) Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

(vii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss.

(viii) Derecognition

(a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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(b) Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

B) Fair value measurements

Accounting policy

The Group measures financial instruments, such as, derivatives, mutual funds etc. at fair value at each Balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, to provide an indication about the reliability of inputs used in determining fair value, the group has classified its financial statements into three levels prescribed under the IND AS as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the assets or liability and the level of fair value hierarchy as explained above.

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Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments.

(₹ million)

	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial assets				
Measured at amortised cost				
Trade receivables	12,992.33	13,763.25	12,992.33	13,763.25
Cash and cash equivalents	1,527.52	1,216.91	1,527.52	1,216.91
Bank balance other than cash and cash equivalents	5,424.91	2,854.27	5,424.91	2,854.27
Loans	103.47	126.80	103.47	126.80
Other financial assets	357.95	351.47	357.95	351.47
Measured at fair value through profit or loss account (FVTPL)				
Investment in mutual funds	13,504.95	7,640.51	13,504.95	7,640.51
Derivative assets	8.36	238.84	8.36	238.84
	33,919.49	**26,192.05**	**33,919.49**	**26,192.05**
Financial liabilities				
Measured at amortised cost				
Borrowings - long term including current maturities and short term	1,551.43	831.35	1,555.65	836.59
Trade payables	20,326.44	12,175.30	20,326.44	12,175.30
Creditors for capital expenditure	563.85	476.22	563.85	476.22
Obligations under lease	363.29	350.13	387.17	357.01
Other financial liabilities	163.49	71.46	163.49	71.46
Measured at fair value through profit or loss account (FVTPL)				
Derivative liabilities	129.32	138.42	129.32	138.42
	23,097.82	**14,042.88**	**23,125.92**	**14,055.00**

(a) Interest rate swaps, foreign exchange forward contracts and embedded commodity derivative are valued using valuation techniques, which employ the use of market observable inputs(closing rates of foreign currency and commodities).

(b) Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from purchase contracts.

(c) The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit, lease liabilities and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(d) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

(e) The fair values of the mutual funds are based on NAV at the reporting date.

(f) The fair value of interest rate swaps are based on MTM bank rates as on reporting date.

(g) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

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Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2023

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2023	13,504.95	13,504.95	-	-
Derivative assets					
Forward contract	31 March 2023	8.36	-	8.36	-
Liabilities measured at fair value:					
Derivative liabilities					
Embedded derivatives	31 March 2023	26.18	-	26.18	-
Commodity contracts	31 March 2023	76.17	-	76.17	-
Foreign exchange forward contract	31 March 2023	26.97	-	26.97	-

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2022:

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2022	7,640.51	7,640.51	-	-
Derivative assets					
Embedded derivatives	31 March 2022	196.27	-	196.27	-
Forward contract	31 March 2022	42.57	-	42.57	-
Liabilities measured at fair value:					
Derivative liabilities					
Commodity contracts	31 March 2022	138.42	-	138.42	-

There is no transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Timing of transfer between the levels determined based on the following:

(a) the date of the event or change in circumstances that caused the transfer

(b) the beginning of the reporting period

(c) the end of the reporting period

Description of significant unobservable inputs to valuation:

There are no significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy as at 31 March 2023 (31 March 2022: None).

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41. Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. the Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Group has formed a Risk Management Committee to periodically review the risk management policy of the Group so that the management manages the risk through properly defined machanism. The Risk Management Committee's focus is to foresee the unpredictability and minimise potential adverse effects on the Group's financial performance.

The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

(A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group is also exposed to the risk of changes in market interest rates relates due to its investments in mutual fund units in overnight funds.

The Group manages its interest rate risk by having fixed and variable rate loans and borrowings. The Group also enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2023, after taking into account the effect of interest rate swaps, none of the Group's borrowings at the year end are at a fixed rate of interest (31 March 2022: ₹0.3 million). Total borrowings as on 31 March 2023 are ₹1,551.43 million (31 March 2022 ₹831.35 million).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ million)

	Exposure to interest rate risk (Principal amount of loan)	Increase/ decrease in basis points	Effect on profit before tax
31 March 2023	889.76		
Increase		+100	(8.90)
Decrease		-100	8.90
31 March 2022	812.36		
Increase		+100	(8.12)
Decrease		-100	8.12

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's borrowings in foreign currency.

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Derivative financial instruments

The Group enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. To some extent the Group manages its foreign currency risk by hedging transactions.

The Group is also exposed to foreign exchange risk arising on inter company transaction in foreign currencies. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Particulars of unhedged foreign currency exposures as at the reporting date:

(₹ million)

Currency	Currency Symbol	31 March 2023		31 March 2022	
		Foreign currency	Indian Rupees	Foreign currency	Indian Rupees
United States Doller	USD	(74.94)	(6,161.08)	(59.45)	(4,506.67)
EURO	EUR	12.09	1,082.94	1.19	101.05
Pound	GBP	2.85	290.24	0.53	53.08
Swiss Franc	CHF	0.03	2.40	0.29	24.12
Ruble	RUB	(7.38)	(7.83)	-	-
Chinese Yuan	CNY	0.09	1.10	-	-
Japanese yen	JPY	-	-	(0.32)	(0.20)
Australian Dollar	AUD	5.43	299.92	0.43	24.58
Singapore Dollar	SGD	(0.00)	(0.13)	-	-

Note: Figures shown in brackets represent payables.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP, CHF, RUB, JPY, AUD and SGD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

Impact on profit before tax and equity

(₹ million)

Currency	Currency Symbol	31 March 2023		31 March 2022	
		+2%	-2%	+2%	-2%
United States Doller	USD	(123.22)	123.22	(90.13)	90.13
EURO	Euro	21.66	(21.66)	2.02	(2.02)
Pound	GBP	5.80	(5.80)	1.06	(1.06)
Swiss Franc	CHF	0.05	(0.05)	0.48	(0.48)
Ruble	RUB	(0.16)	0.16	-	-
Chinese Yuan	CNY	0.02	(0.02)	-	-
Japanese yen	JPY	-	-	(0.00)	0.00
Australian Dollar	AUD	6.00	(6.00)	0.49	(0.49)
Singapore Dollar	SGD	(0.00)	0.00	-	-

Note: Figures shown in brackets represent payables.

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(iii) Commodity price risk

The Group's exposure to price risk of copper and aluminium arises from:

- Trade payables of the Group where the prices are linked to LME prices. Payment is therefore sensitive to changes in copper and aluminium prices quoted on LME. The provisional pricing feature (Embedded Derivatives) is classified in the balance sheet as fair value through profit or loss. The option to fix prices at future LME prices works as a natural hedge against the movement in value of inventory of copper and aluminium held by the Group. The Group also takes Sell LME positions to hedge the price risk on Inventory due to ongoing movement in rates quoted on LME. The Group applies fair value hedge to protect its copper and aluminium Inventory from the ongoing movement in rates.
- Purchases of copper and aluminium results in exposure to price risk due to ongoing movement in rates quoted on LME affecting the profitability and financial position of the Group. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. There are no outstanding buy future contracts link to LME as of 31 March 2023 and 31 March 2022.

Sensitivity analysis for unhedged exposure for the year ended 31 March are as follows:

Exposure of Company in Inventory:

(₹ million)

Metal	Hedge instruments	31 March 2023				31 March 2022			
		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax	
				+2%	-2%			+2%	-2%
Copper	Embedded derivative	5,400	3,992.49	(79.85)	79.85	2,870	2,257.50	(45.15)	45.15
Aluminium	Embedded derivative	-	-	-	-	84	23.76	(0.48)	0.48

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

The Group has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Group's historical data of delay in collection of amounts due from customers and default by the customers along with management's estimates.

The Group has sold without recourse trade receivable under channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Group does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks. Derecognition does not result in significant gain / loss to the Group in the Statement of profit and loss.

In certain cases, the Group has sold with recourse trade receivables to banks for cash proceeds. These trade receivables have not been derecognised from the statement of financial position, because the Group retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a financial liability (Refer note 18(B)). The arrangement with the bank is such that the customers remit cash directly to the bank and the bank releases the limit of facility used by the Group. The receivables are considered to be held within a held-to-collect business model consistent with the Group's continuing recognition of the receivables.

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Before evaluating whether, and to what extent, derecognition is appropriate, the Group determines whether these arrangements should be applied to a part of a financial asset (or a part of a group of similar financial assets) or a financial asset (or a group of similar financial assets) in its entirety.

The derecognition criteria are applied to a part of a financial asset (or a part of a group of similar financial assets) if, and only if, the part being considered for derecognition meets one of the following three conditions.

(i) The part comprises only specifically identified cash flows from a financial asset (or a Company of similar financial assets).

(ii) The part comprises only a fully proportionate (pro rata) share of the cash flows from a financial asset (or a Company of similar financial assets).

(iii) The part comprises only a fully proportionate (pro rata) share of specifically identified cash flows from a financial asset (or a Company of similar financial assets).

In all other cases, the derecognition criteria are applied to the financial asset in its entirety (or to the group of similar financial assets in their entirety).

The carrying amount of trade receivables at the reporting date that have been transferred but have not been derecognised and the associated liabilities is ₹821.25 million (31 March 2022: ₹765.42 million).

Trade receivables (net of expected credit loss allowance) of ₹12,465.93 million as at 31 March 2023 (31 March 2022: ₹12,963.94 million) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of delayed payments, increased credit risk and consequential default considering emerging situations while arriving at the carrying value of these assets. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers. The Group has specifically evaluated the potential impact with respect to customers for all of its segments.

The Group closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The collections pattern from the customers in the current period does not indicate stress beyond what has been factored while computing the allowance for expected credit losses.

The expected credit loss allowance for trade receivables of ₹1,163.08 million as at 31 March 2023 (31 March 2022: ₹1,249.16 million) is considered adequate.

The same assessment is done in respect of contract assets of ₹141.19 million as at 31 March 2023 (31 March 2022: ₹106.91 million) while arriving at the level of provision that is required. The expected credit loss allowance for contract assets of ₹5.65 million as at 31 March 2023 (31 March 2022: ₹11.82 million) is considered adequate.

Other financial assets

The Group has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

(C) Liquidity risk

The Group's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. the Group believes that the working capital is sufficient to meet its current requirements.

Further, the Group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus

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funds not immediately required are invested in certain financial assets (including mutual funds) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Group has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required (Refer note 18).

Corporate guarantees given on behalf of Group Companies might affect the liquidity of the Group if they are payable. However, the Group has adequate liquidity to cover the risk (Refer note 36(A)).

Maturity analysis

The table below summarises the maturity profile of the Group's financial assets and financial liabilities based on contractual undiscounted payments.

(₹ million)

	31 March 2023			31 March 2022		
	< 1 year	> equal to 1 year	Total	< 1 year	> equal to 1 year	Total
Financial assets:						
Investments	13,504.95	-	13,504.95	7,640.51	-	7,640.51
Trade receivables	12,465.96	526.37	12,992.33	12,963.94	799.31	13,763.25
Cash & cash equivalents	1,527.52	-	1,527.52	1,216.91	-	1,216.91
Bank balance other than cash & cash equivalents	5,424.91	-	5,424.91	2,854.27	-	2,854.27
Loans	103.47	-	103.47	126.80	-	126.80
Other financial assets	295.91	70.40	366.31	409.45	166.52	575.97
	33,322.72	**596.77**	**33,919.49**	**25,211.88**	**965.83**	**26,177.71**
Financial liabilities:						
Borrowings	1,509.35	42.08	1,551.43	805.38	31.27	836.65
Lease liability	164.77	256.99	421.75	148.93	311.17	460.10
Other financial liabilities	856.66	-	856.66	686.10	-	686.10
Trade payables	20,326.44	-	20,326.44	12,175.30	-	12,175.30
	22,857.22	**299.07**	**23,156.28**	**13,815.71**	**342.44**	**14,158.15**

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42. Hedging activity and derivatives

The Group uses the following hedging types:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

(A) Fair value hedge of copper and aluminium price risk in inventory

(i) The Group enters into contracts to purchase copper and aluminium wherein the Group has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of unpriced inventory of copper and aluminium due to volatility in copper and aluminium prices. The Group designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Group designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it is no longer qualifies for hedge accounting or when the hedged item is sold.

(ii) To use the Sell future contracts linked with LME to hedge the fair value risk associated with inventory of copper and aluminium. Once the purchases are concluded and its final price is determined, the Group starts getting exposed to price risk of these inventory till the time it is not been sold. The Group's policy is to designate the copper and aluminium inventory which are already priced and which is not been sold at that point in time in a hedging relationship against Sell LME future positions based on the risk management strategy of the Group. The hedged risk is movement in spot rates.

To test the hedge effectiveness between embedded derivatives/derivatives and LME prices of Copper and Aluminium, the Group uses the said prices during a stipulated time period and compares the fair value of embedded derivatives/derivatives against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Group establishes a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative/ derivative is identical to the LME price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item:

Changes in fair value of unpriced inventory attributable to change in copper and aluminium prices.

Hedging instrument:

Changes in fair value of the embedded derivative of copper and aluminium trade payables and sell future contracts, as described above.

(B) Cash flow hedge associated with highly probable forecasted purchases of copper and aluminium:

The Group has purchases of copper and aluminium which results in exposure to price risk due to ongoing movement in rates quoted on LME which affects the profitability and financial position of the Group. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. The Group's policy is to designate the monthly copper and aluminium purchases as a highly probable forecasted transaction in a hedging relationship based on the risk management strategy of the Group.

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As at 31 March 2023

(₹ million)

	Commodity price risk	Carrying amount: Asset- increase/ (decrease)	Carrying amount: Liabilities- increase/ (decrease)	Carrying amount: Equity- increase/ (decrease)	Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge -Gain/ (loss)	Ineffective portion of Hedge -Gain/ (loss)
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	76.85	-	-		1:1	Inventory		
	Highly probable future purchases	-	-	-			Cash flow hedge reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	26.18	-	Range within 1 to 6 months	1:1	Current financial assets	(76.85)	25.92
	Buy Derivative Position	-	-	-		1:1	Current financial liabilities		
	Sell future contracts	-	76.17	-		1:1	Current financial liabilities		

The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of profit and Loss

(₹ million)

	As at 31 March 2023			
	Cash Flow hedge release to P&L			
	Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk				
Buy Future Contracts- Copper	(59.71)	-	-	(59.71)
Sell Future Contracts- Aluminium	0.01	-	-	0.01

As at 31 March 2022

(₹ million)

	Commodity price risk	Carrying amount: Asset- increase/ (decrease)	Carrying amount: Liabilities- increase/ (decrease)	Carrying amount: Equity- increase/ (decrease)	Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge - Gain/ (loss)	Ineffective portion of Hedge - Gain/ (loss)
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	(154.19)	-	-		1:1	Inventory		
	Highly probable future purchases	-	-	0.58			Cash flow hedge reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	(196.27)	-	Range within 1 to 6 months	1:1	Current financial assets	154.19	(96.92)
	Buy Derivative Position	-	(0.58)	-		1:1	Current financial liabilities		
	Sell future contracts	-	139.00	-		1:1	Current financial liabilities		

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The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of Profit and Loss

(₹ million)

	As at 31 March 2022			
	Cash Flow hedge release to P&L			
	Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk				
Buy Future Contracts- Copper	(139.31)	-	-	(139.31)
Buy Future Contracts- Aluminium	0.58	-	-	0.58
Sell Future Contracts- Aluminium	0.31	-	-	0.31

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Group which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Group uses various derivative instruments such as foreign exchange forward, currency options and futures contracts in which the counter party is generally a bank. For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value.

The Group has entered into derivative instruments by way of foreign exchange forward contracts, which are, as per the requirements of Ind AS 109, measured at fair value through profit and loss account. The notional amount of outstanding contracts and loss/(gain) on fair valuation of such contracts are given below:

(₹ million)

	31 March 2023	31 March 2022
Foreign exchange forward contracts - Buy	4,498.70	3,834.67
Foreign exchange forward contracts - Sale	(1,640.44)	(6,148.67)
	2,858.26	**(2,314.00)**
Fair valuation gain on foreign exchange forward contracts	11.65	(42.37)

43. Financial Performance Ratios

A Performance ratios

		Numerator	Denominator	31 March 2023	31 March 2022	Variance
A	**Performance Ratios**					
	Net Profit ratio	Profit after tax	Revenue from operations	9.09%	7.52%	1.6%
	Net Capital turnover ratio	Revenue from operations	Working capital	3.29	3.59	-8.2%
	Return on capital employed	Profit before interest and tax	Capital employed	25.74%	20.27%	5.5%
	Return on equity ratio	Profit after tax	Average shareholder's equity	20.96%	17.74%	3.2%
	Return on investment (i)	Closing less opening market price	Opening market price	21.81%	70.66%	-48.9%
	Debt Service Coverage ratio (ii)	Earnings available for debt services	Debt service	31.22	23.33	33.8%
B	**Leverage Ratios**					
	Debt-Equity ratio (iii)	Total Debt	Shareholder's Equity	0.02	0.01	55.8%
C	**Liquidity Ratios**					
	Current Ratio	Current assets	Current liabilities	2.63	2.95	-10.9%
D	**Activity Ratio**					
	Inventory turnover ratio	Cost of goods sold	Average inventory	4.08	4.52	-9.7%
	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	11.10	8.93	24.3%
	Trade Payables turnover ratio	Net credit purchases	Average trade payable	6.81	7.48	-9.0%

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

Notes: Explanation for change in ratio by more than 25%

(i) Return on investment movement is in line with fair market value of investments.

(ii) Improvement in debt service coverage ratio/debt-equity ratio largely on account of improved profitability

(iii) Increase in Debt-Equity Ratio is on account of additional borrowings in subsidiaries.

44. Struck off Company

The Group does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and external borrowings.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, lease liabilities and other payables, less cash and cash equivalents and current investments.

(₹ million)

	31 March 2023	31 March 2022
Borrowings (Refer note 18)	1,551.43	831.35
Lease liabilities (Refer note 19)	363.29	350.13
Other payables (Refer note 21)	856.66	686.10
Less: Cash and cash equivalents (Refer note 8)	(1,527.52)	(1,216.91)
Less: Current investments (Refer note 6B)	(13,504.95)	(7,640.51)
Net debt	**(12,261.09)**	**(6,989.84)**
Equity (Refer note 15, 16 and 17)	66,685.14	55,688.11
Total capital	**66,685.14**	**55,688.11**
Capital and net debt	54,424.05	48,698.27
Gearing ratio	**-22.53%**	**-14.35%**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and year ended 31 March 2022.

Notes to Consolidated Financial Statements
for the year ended 31 March 2023

46. Environmental, Social and Governance (ESG)

As a socially and environmentally responsible business, committed to the highest standards of corporate governance, the Company is focused on growing sustainably to build long-term stakeholder value by embracing sustainable development. The Company aims to deliver value to its employees, customers, suppliers, partners, shareholders and society as a whole. In this regard, the Company has developed a robust ESG framework that will align it to the best global standards and serve as a guide for the implementation of sustainable business practices.

47. The Board of Directors of the Company at their meeting held on 18 October 2022 had approved the Scheme of Amalgamation between the Company and Silvan Innovation Laboratories Private Limited, a wholly owned subsidiary of the Company on a going concern basis. The Appointed date of the Scheme is 1 April 2022 or such other date as may be approved by NCLT or any other appropriate authority. The Scheme will be given effect on receipt of requisite regulatory approvals and filing of such approvals with the ROC.

48. Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these consolidated financial statements by the Board of Directors of the Group requiring adjustment or disclosure.

49. Others

Figures representing ₹0.00 million are below ₹5,000.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Place: Mumbai
Date: 12 May 2023

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Standalone Independent Auditor's Report

for the year ended 31 March 2023

To the Members of
Polycab India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Polycab India Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition - Wires and Cables and Fast-Moving Electrical Goods (FMEG) business

See Note 23 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Based on its business model in Wires and FMEG business, the Company has many different types of terms of delivery arising from different types of performance obligations with its customers. Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each contract regarding timing of revenue recognition. Inappropriate assessment could lead to risk of revenue getting recognised before control has been transferred. Accordingly, timing of recognition of revenue is a key audit matter.	Our audit procedures over the recognition of revenue included the following: • We assessed the compliance of the Company's revenue recognition accounting policies against the requirements of Indian Accounting Standards ("Ind AS") to identify any inappropriate policy; • We tested the design, implementation and operating effectiveness of key internal financial controls and processes for revenue recognition along with effectiveness of information technology controls built in automated processes; • On a sample basis, we tested revenue transactions recorded during the year, by verifying the underlying documents, including invoices and shipping documents for assessment of fulfillment of performance obligations completed during the year; We analysed the timing of recognition of revenue and any unusual contractual terms; • On a sample basis, we tested the invoice and shipping documents for revenue transactions recorded during the period closer to the year end and subsequent to the year end to verify recognition of revenue in the correct period; and • We assessed the adequacy of disclosures in the standalone financial statements against the requirement of Ind AS 115, Revenue from contracts with customers.

Inventory Valuation

See Note 14 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
• Copper and aluminum-based inventory forms a significant part of the Company's inventory for which the Company enters into commodity contracts. The Company takes a structured approach to the identification, quantification and hedging of risk of fluctuations in prices of copper and aluminum by using derivatives in commodities. • Inventories are measured at the lower of cost and net realizable value on first in first out basis, except for inventories qualifying as hedged items in a fair value hedge relationship. These inventories are measured at cost, adjusted for the hedging gain or loss on the hedged item. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	Our audit procedures over inventory valuation included the following: • We tested the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory, accounting of derivative and hedging transactions; • On a sample basis, tested the accuracy of cost for inventory by verifying the actual purchase cost. Tested the net realisable value by comparing actual cost with most recent retail price; • On a sample basis, tested the hedging relationship of eligible hedging instruments and hedged items; We used the work of our internal subject matter experts for assistance in verifying hedge effectiveness requirements of Ind AS 109, including the economic relationship between the hedged item and the hedging instrument; and • We assessed and tested adequacy and completeness of the Company's disclosures in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Standalone Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 to the standalone financial statements.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 10(G) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Standalone Independent Auditor's Report

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 10(G) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 15(f) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLS4997

Place: Mumbai
Date: 12 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Polycab India Limited

for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy was noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land-Halol	10.48	Polycab India Limited	No	2009	Title deed is in dispute and is pending resolution with government authority at Gujarat
Freehold land-Daman	1.42	Dinesh Gupta	No	2008	Mutation is in process

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has granted loans to Companies during the year in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

Standalone Independent Auditor's Report

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee to any other entity as below:

Particulars	Guarantees	Loans
Aggregate amount during the year		
Subsidiaries*	-	73.65 million
Joint ventures*	-	-
Balance outstanding as at balance sheet date		
Subsidiaries*	520 million	57 million
Joint ventures*	-	100 million

*As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate amount of loans granted during the year	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Techno Electromech Private Limited	-	100 million	64%
Silvan Innovation Labs Private Limited	6.50 million	45.50 million	29%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in millions)	Amount paid under protest (₹ in millions)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Central Excise Act, 1944	Excise Duty	125.87	21.39	2007-2017	High Court/ Adjudicating authority/ CESTAT	Nil
Service Tax (Finance Act, 1994)	Service tax	18.18	1.07	2017	Supreme Court/ Adjudicating authority	Nil
State & Central Sales Tax, 1956	Tax, Interest& Penalty	101.94	39.87	2014-2015, 2015-16 & 2017-18	High Court, Commissioner, Appel late Authority	Nil
Customs Act, 1962	Custom duty	16.63	16.31	2010-2011, 2011-2012, 2020-2021	CESTAT-Customs	Nil
Central Goods and Services Tax Act, 2017	Tax, Interest& Penalty	154.03	100.87	2017-2021	High Court/ Appellate Authority	Nil

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture as defined under the Act.

Standalone Independent Auditor's Report

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the Whistle-Blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLS4997

Place: Mumbai
Date: 12 May 2023

Annexure B to the Independent Auditor's Report on the Standalone financial statements of Polycab India Limited

for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Polycab India Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:23042070BGYGLS4997

Place: Mumbai
Date: 12 May 2023

Standalone Balance Sheet

as at 31 March 2023

(₹ million)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	19,737.86	15,837.01
Capital work-in-progress	3	2,492.69	3,744.81
Right of use assets	4	357.43	345.18
Other intangible assets	5	20.14	9.01
Financial assets			
(a) Investment in Subsidiaries	6A	386.29	386.29
(b) Investment in Joint Venture	6A	105.20	105.20
(c) Trade receivables	7	526.05	798.90
(d) Other financial assets	11A	50.79	158.77
Non-current tax assets (net)	12D	147.33	369.94
Other non-current assets	13A	1,078.12	651.67
		24,901.90	**22,406.78**
Current assets			
Inventories	14	28,668.06	21,472.95
Financial assets			
(a) Investments	6B	13,504.95	7,640.51
(b) Trade receivables	7	12,204.17	12,925.37
(c) Cash and cash equivalents	8	1,218.57	1,138.27
(d) Bank balance other than cash and cash equivalents	9	5,239.00	2,766.97
(e) Loans	10	160.47	174.11
(f) Other financial assets	11B	302.70	412.23
Other current assets	13B	6,150.60	4,135.77
		67,448.52	**50,666.18**
Total assets		**92,350.42**	**73,072.96**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,497.65	1,494.43
(b) Other equity	16	64,593.68	53,714.57
		66,091.33	**55,209.00**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	18A	221.46	239.92
Provisions	21A	445.60	255.66
Deferred tax liabilities (net)	12G	401.02	240.60
Other non-current liabilities	22A	169.07	207.05
		1,237.15	**943.23**
Current liabilities			
Financial liabilities			
(a) Borrowings	17	821.25	765.42
(b) Lease liabilities	18B	136.99	103.34
(c) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		547.96	636.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		19,409.54	11,156.78
(d) Other financial liabilities	20	827.50	655.78
Other current liabilities	22B	2,665.99	3,197.15
Provisions	21B	266.67	252.38
Current tax liabilities (net)	12D	346.04	153.11
		25,021.94	**16,920.73**
Total equity and liabilities		**92,350.42**	**73,072.96**
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	34		
Other notes to accounts	35 to 46		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Manita Gonsalves
Company Secretary
Membership No. A18321

Place: Mumbai
Date: 12 May 2023

Place: Mumbai
Date: 12 May 2023

Standalone Statement of Profit & Loss

for the year ended 31 March 2023

(₹ million)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	23	139,115.69	120,979.09
Other income	24	1,360.84	905.03
Total income		**140,476.53**	**121,884.12**
EXPENSES			
Cost of materials consumed	25	97,441.36	91,765.28
Purchases of stock-in-trade	26	4,563.15	6,000.10
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	590.27	(4,686.15)
Project bought outs and subcontracting cost	28	1,351.53	1,114.72
Employee benefits expense	29	4,428.59	3,948.43
Finance costs	30	560.64	334.20
Depreciation and amortisation expense	31	2,023.89	1,965.58
Other expenses	32	12,630.17	10,436.86
Total expenses		**123,589.60**	**110,879.02**
Profit before tax and exceptional items		**16,886.93**	**11,005.10**
Exceptional items	6A	-	1,243.25
Profit before tax		**16,886.93**	**12,248.35**
Tax expenses	12		
Current tax		4,019.27	3,037.67
Deferred tax charge/ (credit)		151.79	(102.04)
Total tax expenses		**4,171.06**	**2,935.63**
Profit for the year		**12,715.87**	**9,312.72**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	29	34.90	19.27
Tax relating to items that will not be reclassified to Profit or Loss	12	(8.78)	(4.85)
Items that will be reclassified to profit or loss			
Effective portion of (losses)/gains on hedging instrument in cash flow hedges		(0.58)	0.58
Tax relating to items that will be reclassified to Profit or Loss	12	0.15	(0.15)
Other comprehensive income for the year, net of tax		**25.69**	**14.85**
Total comprehensive income for the year, net of tax		**12,741.56**	**9,327.57**
Earnings per share	33		
Basic (Face value ₹10 each)		84.98	62.39
Diluted (Face value ₹10 each)		84.72	62.12
Weighted average equity shares used in computing earnings per equity share	33		
Basic		149,631,506	149,268,712
Diluted		150,099,705	149,923,144
Corporate information and summary of significant accounting policies	1 & 2		
Contingent liabilities and commitments	34		
Other notes to accounts	35 to 46		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Bhavesh Dhupelia
Partner
Membership No. 042070

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Place: Mumbai
Date: 12 May 2023

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

A) Equity Share Capital

(₹ million)

	31 March 2023	31 March 2022
Balance at the beginning of the year	1,494.43	1,491.19
Issue of equity shares on exercise of employee stock options	3.22	3.24
Balance at the end of the year	**1,497.65**	**1,494.43**

B) Other Equity

(₹ million)

	Share application money pending allotment	Reserves & Surplus					Effective portion of Cash Flow Hedges	Total other equity
		Capital Reserve	Securities Premium	General Reserve	ESOP outstanding	Retained Earnings		
As at 1 April 2021	**4.96**	**0.13**	**7,318.10**	**650.69**	**286.92**	**37,320.31**	**-**	**45,581.11**
Profit after tax for the year ended	-	-	-	-	-	9,312.72	-	9,312.72
Items of OCI for the year ended, net of tax								
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	-	14.42	-	14.42
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	-	-	-	-	-	-	0.43	0.43
Final equity dividend	-	-	-	-	-	(1,491.60)	-	(1,491.60)
Share-based payments to employees	-	-	-	-	161.16	-	-	161.16
ESOP charge recovered from group companies	-	-	-	-	6.68	-	-	6.68
Transfer on account of employee stock options not exercised	-	-	-	1.00	(1.00)	-	-	-
Exercise of employee stock option	110.22	-	-	-	(110.22)	-	-	-
Amount received on exercise of employee stock options	132.88	-	-	-	-	-	-	132.88
Issue of equity share on exercise of employee stock options	(240.08)	-	236.85	-	-	-	-	(3.23)
As at 31 March 2022	**7.98**	**0.13**	**7,554.95**	**651.69**	**343.54**	**45,155.85**	**0.43**	**53,714.57**
Profit after tax for the year ended	-	-	-	-	-	12,715.87	-	12,715.87
Items of OCI for the year ended, net of tax								
Re-measurement gains / (losses) on defined benefit plans	-	-	-	-	-	26.12	-	26.12
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	-	-	-	-	-	-	(0.43)	(0.43)
Final equity dividend	-	-	-	-	-	(2,094.49)	-	(2,094.49)
Share-based payments to employees	-	-	-	-	107.61	-	-	107.61
Exercise of employee stock option	137.98	-	-	-	(137.98)	-	-	-
Amount received on exercise of employee stock options	127.65	-	-	-	-	-	-	127.65
Issue of equity share on exercise of employee stock options	(270.83)	-	267.61	-	-	-	-	(3.22)
As at 31 March 2023	**2.78**	**0.13**	**7,822.56**	**651.69**	**313.17**	**55,803.35**	**-**	**64,593.68**

Refer note 16 for nature and purpose of reserves.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 12 May 2023

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Standalone Statement of Cash Flows

for the year ended 31 March 2023

Accounting policy

Cashflows are reported using the indirect method as set out in Ind AS 7, 'Statement of Cash Flows', whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage (Refer Note-8).

For the purposes of cash flow, statement cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(₹ million)

		Year ended 31 March 2023	Year ended 31 March 2022
A.	**Cash Flows From Operating Activities**		
	Profit before tax	**16,886.93**	**12,248.35**
	Adjustments for:		
	Depreciation and amortisation expense	2,023.89	1,965.58
	(Gain)/Loss on disposal of property, plant and equipment	(97.88)	11.83
	Gain on termination of lease	(3.29)	(5.79)
	Interest income	(292.79)	(270.64)
	Gain on redemption of investment	(614.32)	(224.10)
	Fair valuation Mark-To-Market ('MTM') of investment	(36.83)	(3.52)
	Finance cost	560.64	334.20
	Employees share based payment expenses	107.61	161.16
	(Gain)/Loss on fair valuation of financial assets	(29.62)	85.82
	Liabilities / provisions no longer required written off / (written back)	0.04	(12.49)
	Impairment allowance for trade receivable considered doubtful	(31.74)	(150.98)
	Exceptional items	-	(1,243.25)
	Loss on unrealised foreign exchange	186.21	37.35
	Sundry balances written-off	2.17	42.60
	Operating profit before working capital changes	**18,661.02**	**12,976.12**
	Movements in working capital:		
	Decrease in trade receivables	1,066.88	1,934.49
	Increase in inventories (net)	(7,195.11)	(1,961.17)
	Decrease/(Increase) in financial assets	127.08	(185.40)
	Increase in non-financial assets (including contract assets)	(2,195.88)	(2,554.82)
	Increase/(Decrease) in trade payables	7,992.44	(1,296.51)
	Decrease in financial liabilities	(52.56)	(1,026.53)
	Increase in provisions	239.13	44.39
	Decrease in non-financial liabilities (including contract liabilities)	(569.14)	(40.54)
	Cash generated from operations	**18,073.86**	**7,890.03**
	Income tax paid (net of refunds)	(3,603.73)	(3,281.19)
	Net cash generated from operating activities (A)	**14,470.13**	**4,608.84**
B.	**Cash Flows From Investing Activities**		
	Purchase of property, plant and equipment (including CWIP)	(4,659.77)	(5,014.97)
	Purchase of other intangible assets	(20.04)	(1.12)
	Proceeds from sale of property, plant and equipment	209.39	27.22
	Investment in mutual funds	(96,467.28)	(92,681.54)
	Proceeds from sale of mutual funds	91,253.99	91,499.92
	Bank deposits placed	(4,568.80)	(3,844.08)
	Bank deposits matured	2,215.26	4,421.26
	Investment made in equity shares of subsidiaries	-	(294.73)
	Proceeds from redemption of investments	-	1,778.91
	Loan (given to)/repaid by related parties	(9.55)	293.38
	Loan repaid by/(given to) employees	4.15	(0.17)
	Loan repaid by/(given to) supplier	19.04	(19.04)
	Interest received	199.77	235.47
	Net cash used in investing activities (B)	**(11,823.84)**	**(3,599.49)**

Standalone Statement of Cash Flows Contd.

for the year ended 31 March 2023

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
C. Cash Flows From Financing Activities		
Amount received on exercise of employee stock options	127.65	132.88
Payment of principal portion of lease liabilities	(124.82)	(136.70)
Payment of interest on lease liabilities	(32.55)	(32.74)
Repayment of long term borrowings	-	(29.93)
Repayment of short term borrowings	-	(5.24)
Interest and other finance cost paid	(441.78)	(281.87)
Payment of dividends	(2,094.49)	(1,491.60)
Net cash used in financing activities (C)	**(2,565.99)**	**(1,845.20)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**80.30**	**(835.85)**
Cash and cash equivalents at the beginning of the year	1,138.27	1,974.12
Cash and cash equivalents at end of the year (Refer below note (i))	**1,218.57**	**1,138.27**
Supplementary Information		
(a) Cash Transactions from operating activities:		
Spent towards Corporate Social Responsibility	224.79	191.89
(b) Non-Cash Transactions from Investing and Financing Activities:		
Acquisition of property, plant and equipment by means of Government Grant	133.07	57.07
(c) Acquisition of right of use assets	173.45	189.33
(d) Termination of right of use assets	138.41	178.33
(i) Cash and cash equivalents comprises of		
Balances with banks		
In current accounts	1,018.00	985.12
Deposits with original maturity of less than 3 months	200.00	152.04
Cash in hand	0.57	1.11
Cash and cash equivalents in Cash Flow Statement	**1,218.57**	**1,138.27**

	Note	
Net debt reconciliation		Refer note no. 18
Net lease liabilities reconciliation		Refer note no. 4
Corporate information and summary of significant accounting policies	1 & 2	
Contingent liabilities and commitments	36	
Other notes to accounts	37 to 49	

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 12 May 2023

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Notes to Standalone Financial Statements

for the year ended 31 March 2023

1. Corporate information

Polycab India Limited (the "Company") (CIN - L31300GJ1996PLC114183) was incorporated as 'Polycab Wires Private Limited' on 10 January 1996 at Mumbai as a private limited company under the Companies Act, 1956. The Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word 'private' was struck off from the name of the Company with effect from 30 June 2000. Thereafter, the Company was converted into a private limited company under section 43A(2A) of the Companies Act, 1956, and the word 'private' was added in the name of the Company with effect from 15 June 2001. Subsequently, the Company was converted into a public limited company, the word 'private' was struck off from the name of the Company and consequently, a fresh certificate of incorporation dated 29 August 2018 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("ROC"), recording the change of the Company's name to 'Polycab Wires Limited'. Thereafter, the name of the Company was changed from 'Polycab Wires Limited' to 'Polycab India Limited', and a fresh certificate of incorporation dated 13 October 2018 was issued by the ROC.

The registered office of the Company is Unit 4, Plot Number 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat 389350.

The Company is the largest manufacturer of Wires and Cables in India and fast growing player in the Fast Moving Electrical Goods (FMEG) space. The Company is also in the business of Engineering, Procurement and Construction (EPC) projects. The Company owns 25 manufacturing facilities, located across the states of Gujarat, Maharashtra, Uttarakhand, Tamil Nadu and U.T. Daman.

The Board of Directors approved the Standalone Financial Statements for the year ended 31 March 2023 and authorised for issue on 12 May 2023.

2. Summary of significant accounting policies

A) Basis of preparation

i Statement of Compliance:

The Company prepares its Standalone Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013 (Ind AS compliant Schedule III). These Standalone financial statements includes Balance Sheet as at 31 March 2023, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the year ended 31 March 2023, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

ii Basis of Measurement:

The financial statements for the year ended 31 March 2023 have been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value or amortised cost at the end of each reporting period:

(a) Derivative financial instruments (Refer note 37 for accounting policy regarding financial instruments)

(b) Certain financial assets and liabilities (Refer note 37 for accounting policy regarding financial instruments)

(c) Net defined benefit plan (Refer note 29 for accounting policy)

(d) Share Based Payments (Refer note 29 for accounting policy)

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received from sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2022, except for adoption of new standard or any pronouncements effective from 1 April 2022.

The Company presents an additional balance sheet at the beginning of the earliest comparative period when: it applies an accounting policy retrospectively; it makes a retrospective

Notes to Standalone Financial Statements

for the year ended 31 March 2023

restatement of items in its financial statements; or, when it reclassifies items in its financial statements, and the change has a material effect on the financial statements.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

iii Classification of Current / Non-Current Assets and Liabilities:

The Company presents assets and liabilities in the Balance sheet based on current / non-current classification. It has been classified as current or non-current as per the Company's normal operating cycle, as per para 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle;

(b) Held primarily for the purpose of trading;

(c) Expected to be realised within twelve months after the reporting period; or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

(a) It is expected to be settled in normal operating cycle;

(b) It is held primarily for the purpose of trading;

(c) It is due to be settled within twelve months after the reporting period; or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

iv Functional and Presentation Currency:

These financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest million up to two decimal places, as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

B) Use of estimates and judgements

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

i Revenue Recognition

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sales transactions. In certain non-standard contracts, where the Company provides extended warranties in respect of sale of consumer

Notes to Standalone Financial Statements

for the year ended 31 March 2023

durable goods, the Company allocated the portion of the transaction price to goods based on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In respect of long term contracts significant judgments are used in:

(a) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

(b) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

ii Cost to complete for long term contracts

The Company's management estimate the cost to complete for each project for the purpose of revenue recognition and recognition of anticipated losses of the projects, if any. In the process of calculating the cost to complete, Management conducts regular and systematic reviews of actual results and future projections with comparison against budget. The process requires monitoring controls including financial and operational controls and identifying major risks face by the Company and developing and implementing initiative to manage those risks. The Company's Management is confident that the costs to complete the project are fairly estimated.

iii Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in current and future periods.

iv Impairment of investments in subsidiaries and joint-ventures

Determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. In considering the value in use, the Board of Directors have anticipated the future market conditions and other parameters that affect the operations of these entities.

v Provisions

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

vi Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent assets are neither recognised nor disclosed in the financial statements.

vii Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (Refer note 37 for accounting policy on Fair value measurement of financial instruments).

viii Foreign Currency Transactions / Translations

Transactions in currencies other than Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the date of transaction. At the end of the reporting period, monetary items denominated in foreign currencies are reported using the exchange rate prevailing as at reporting date. Non-monetary items denominated in foreign currencies which are carried in terms of historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items

Notes to Standalone Financial Statements

for the year ended 31 March 2023

at the exchange rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

ix Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

x Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, or when the annual impairment testing of the asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating-unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from the other assets or group of assets. When the carrying amount of an asset or CGU exceeds it recoverable amount, the asset is considered as impaired and it's written down to its recoverable amount.

The Company estimates the value-in-use of the Cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset/ CGU.

xi Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

xii Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

C) Changes in significant accounting policies

The Company has not been required to apply any new standard, interpretation or amendment that has been issued and therefore there were no significant changes in the accounting policies.

D) New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 01 April 2022.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022, to amend the following Ind AS which are effective from 01 April 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period. The Company did not have any significant impact on the standalone financial statements due to this amendment.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to Ind AS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the standalone financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the year.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the standalone financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no modifications of the Company's financial instruments during the year.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

E) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

F) The significant accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

3. Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at cost, net of accumulated depreciation (other than freehold land) and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capitalisation of costs in the carrying amount of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by the Company. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Company are recognised in the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit & Loss for the year in which such expenses are incurred.

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit & Loss when the asset is derecognised.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising on disposal of property, plant and equipment is recognised in the Statement of Profit and Loss. Once the assets classified as held-for-sale, property, plant and equipment are no longer depreciated.

Depreciation on Property, plant and equipment's is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	
Buildings	30-60 years
Plant and equipments	3-15 years
Electrical installations	10 years
Furniture and fixtures	10 years
Office equipments	3-6 years
Windmill	22 years
Vehicles	8-10 years
Leasehold land and improvements	Lower of useful life of the asset or lease term

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the respective asset. Borrowing cost incurred for constructed assets is capitalised up to the date by which asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. All other borrowing costs are expensed in the period they occur.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The changes in the carrying value of Property, plant and equipment for the year ended 31 March 2023 are as follows:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work-in-Progress
Gross carrying value (at cost)											
As at 01 April 2022	1,054.75	9,048.05	13,264.73	1,035.12	201.04	444.35	294.99	37.78	3.42	25,384.23	3,744.81
Additions	18.47	3,523.64	1,901.61	176.72	90.62	178.42	-	6.81	-	5,896.29	3,892.24
Transfer	-	-	-	-	-	-	-	-	-	-	(5,144.36)
Disposals/Adjustments	(26.21)	(82.86)	(103.57)	-	-	(8.70)	-	(9.36)	-	(230.70)	-
As at 31 March 2023	**1,047.01**	**12,488.83**	**15,062.77**	**1,211.84**	**291.66**	**614.07**	**294.99**	**35.23**	**3.42**	**31,049.82**	**2,492.69**
Accumulated depreciation											
As at 01 April 2022	-	1,629.40	7,058.06	405.45	86.94	241.31	110.05	13.12	2.89	9,547.22	-
Depreciation charge for the year	-	336.39	1,353.18	89.47	18.49	65.54	15.72	4.93	0.21	1,883.93	-
Disposals/Adjustment	-	(10.45)	(94.29)	-	-	(8.11)	-	(6.34)	-	(119.19)	-
As at 31 March 2023	**-**	**1,955.34**	**8,316.95**	**494.92**	**105.43**	**298.74**	**125.77**	**11.71**	**3.10**	**11,311.96**	**-**
Net carrying value											
As at 31 March 2023	**1,047.01**	**10,533.49**	**6,745.82**	**716.92**	**186.23**	**315.33**	**169.22**	**23.52**	**0.32**	**19,737.86**	**2,492.69**

The changes in the carrying value of Property, plant and equipment for the period ended 31 March 2022 are as follows:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total	Capital Work-in-Progress
Gross carrying value (at cost)											
As at 01 April 2021	1,028.21	8,418.70	12,130.79	796.17	184.46	328.11	294.99	80.41	3.42	23,265.26	984.65
Additions	26.54	630.64	1,194.29	238.95	17.82	120.60	-	6.33	-	2,235.17	4,697.54
Transfer	-	-	-	-	-	-	-	-	-	-	(1,937.38)
Disposals/Adjustments	-	(1.29)	(60.35)	-	(1.24)	(4.36)	-	(48.96)	-	(116.20)	-
As at 31 March 2022	**1,054.75**	**9,048.05**	**13,264.73**	**1,035.12**	**201.04**	**444.35**	**294.99**	**37.78**	**3.42**	**25,384.23**	**3,744.81**
Accumulated depreciation											
As at 01 April 2021	-	1,307.29	5,795.12	326.86	69.77	190.75	94.33	30.43	2.54	7,817.09	-
Depreciation charge for the year	-	322.34	1,310.40	78.59	17.77	54.64	15.72	7.47	0.35	1,807.28	-
Disposals/Adjustment	-	(0.23)	(47.46)	-	(0.60)	(4.08)	-	(24.78)	-	(77.15)	-
As at 31 March 2022	**-**	**1,629.40**	**7,058.06**	**405.45**	**86.94**	**241.31**	**110.05**	**13.12**	**2.89**	**9,547.22**	**-**
Net carrying value											
As at 31 March 2022	**1,054.75**	**7,418.65**	**6,206.67**	**629.67**	**114.10**	**203.04**	**184.94**	**24.66**	**0.53**	**15,837.01**	**3,744.81**

Notes:

(a) Capital Work-in-Progress includes machinery in transit ₹193.97 million (31 March 2022 : ₹ Nil).

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(b) All property, plant and equipment are held in the name of the Company, except which are shown below:

As at 31 March 2023

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold land- Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

As at 31 March 2022

Description of item of property	Held in the name of	Gross carrying value (₹ million)	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold land- Daman	Dinesh Gupta	1.42	No	2008	Mutation is in process

(c) Title deed is in dispute for freehold land amounting to ₹10.48 million (31 March 2022: ₹10.48 million) and is pending resolution with government authority at Gujarat.

(d) CWIP aging schedule as at 31 March 2023

(₹ million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	958.33	174.44	19.73	70.71	1,223.21
FMEG Projects	574.27	86.44	2.34	-	663.05
Backward Integration Projects	224.27	235.07	-	20.30	479.64
Other Projects	112.87	8.90	3.50	1.52	126.79
	1,869.74	**504.85**	**25.57**	**92.53**	**2,492.69**

CWIP aging schedule as at 31 March 2022

(₹ million)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Cable & Wire Projects	461.90	38.97	79.69	13.64	594.20
FMEG Projects	612.13	73.24	-	-	685.37
Backward Integration Projects	286.87	102.84	7.75	-	397.46
Other Projects	2,062.76	3.50	-	1.52	2,067.78
	3,423.66	**218.55**	**87.44**	**15.16**	**3,744.81**

For the purpose of this disclosure, the Company has identified project as the smallest group of assets having a common intended use.

(e) Direct capitalisation of Property, plant and equipments during the year are given as under:

(₹ million)

	Freehold land	Buildings	Plant and equipments	Electrical installations	Furniture and fixtures	Office equipments	Windmill	Vehicles	Lease-hold improvements	Total
FY 2022-23	18.47	424.30	224.21	7.77	22.18	48.19	-	6.81	-	751.93
FY 2021-22	26.54	-	220.50	9.35	10.35	24.72	-	6.33	-	297.79

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(f) CWIP completion schedule, whose completion is overdue or has exceeded its cost compared to its original plan: None (31 March 2022 : None)

(g) Assets pledged and hypothecated against borrowings:

Refer note 17(a)(ii).

(h) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(i) For capital expenditures contracted but not incurred - Refer note 34(B).

4. Right of use assets

Accounting policy

i. The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and leases with low value assets. For these short-term, variable lease and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

ii. The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

iii. Finance lease

The Company has entered into land lease arrangement at various locations. Terms of such lease ranges from 30-90 years. In case of lease of land for 90 years and above, it is likely that such leases meet the criteria that at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. Accordingly, the Company has classified leasehold land as finance leases applying Ind AS 17. For such leases, the carrying amount of the right-of-use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease asset on the transition date as measured applying Ind AS 17. Accordingly, an amount of ₹41.78 million has been reclassified from property, plant and equipment to right-of-use assets in financial year 2019-20.

iv. Others

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognise right-of-use assets and liabilities for short term leases, variable lease and leases of low value assets.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) The effective interest rate for lease liabilities is 9.0% p.a., with maturity between financial year 2022-2030.

Following are the changes in the carrying value of right of use for the year ended 31 March 2023:

(₹ million)

	Category of ROU asset		Total
	Leasehold Land	Buildings	
Gross carrying value			
As at 01 April 2022	41.74	477.94	519.68
Additions	-	173.45	173.45
Disposals	-	(138.41)	(138.41)
As at 31 March 2023	**41.74**	**512.98**	**554.72**
Accumulated depreciation			
As at 01 April 2022	1.42	173.08	174.50
Depreciation charge for the year	0.54	130.51	131.05
Disposals	-	(108.26)	(108.26)
As at 31 March 2023	**1.96**	**195.33**	**197.29**
Net carrying value			
As at 31 March 2023	**39.78**	**317.65**	**357.43**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

Following are the changes in the carrying value of right of use for the year ended 31 March 2022:

(₹ million)

	Category of ROU asset		Total
	Leasehold Land	Buildings	
Gross carrying value			
As at 01 April 2021	41.78	466.90	508.68
Additions	-	189.33	189.33
Disposals	(0.04)	(178.29)	(178.33)
As at 31 March 2022	**41.74**	**477.94**	**519.68**
Accumulated depreciation			
As at 01 April 2021	0.91	168.96	169.87
Depreciation charge for the year	0.51	146.10	146.61
Disposals	-	(141.98)	(141.98)
As at 31 March 2022	**1.42**	**173.08**	**174.50**
Net carrying value			
As at 31 March 2022	**40.32**	**304.86**	**345.18**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The following is the break-up of current and non-current lease liabilities for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Non-current lease liabilities	221.46	239.92
Current lease liabilities	136.99	103.34
	358.45	343.26

The following is the movement in lease liabilities for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Balance at the beginning of the year	343.26	335.22
Additions	169.53	186.08
Finance cost incurred during the year	32.55	32.74
Deletions	(29.52)	(41.34)
Payment of lease liabilities	(157.37)	(169.44)
	358.45	343.26

The table below provides details regarding the contractual maturities of lease liabilities of non-cancellable contractual commitments as on an undiscounted basis.

(₹ million)

	31 March 2023	31 March 2022
Less than one year	160.28	146.59
One to five years	246.16	265.23
More than five years	7.56	32.64
	414.00	444.46

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit or loss:

(₹ million)

	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	131.05	146.61
Interest expense on lease liabilities	32.55	32.74
Interest income on fair value of security deposit	(2.64)	(2.65)
Expense relating to short-term leases (included in other expenses)	38.76	48.10
Expense relating to leases of low-value assets (included in other expenses)	7.69	6.46
Variable lease payments (included in other expenses)	5.50	4.91
	212.91	236.17

Lease contracts entered by the Company majorly pertains for warehouse taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

The Company had total cash outflows for leases of ₹157.37 million in 31 March 2023 (₹169.44 million in 31 March 2022).

Company as a lessor

Future undiscounted minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

(₹ million)

	31 March 2023	31 March 2022
Less than one year	16.17	17.26
One to five years	9.12	24.36
More than five years	-	-
	25.29	41.62

5. Other intangible assets

Accounting policy

i. Other intangible assets acquired separately

Other intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation on other intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013. The useful life is as follows:

Assets	Useful life
Computer software	3 year

The residual values, useful lives and methods of amortisation of Other intangible assets are reviewed at each financial year end and adjusted prospectively.

Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

ii. Intellectual Property

Brands/trademarks acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, brands/trademarks are carried at cost less any accumulated amortisation and impairment losses, if any. A brand/trademark acquired as part of a business combination is recognised outside goodwill, at fair value at the date of acquisition, if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably. The useful lives of brands/trademarks are assessed to be either finite or indefinite. The assessment includes whether the brand/trademark name will continue to trade and the expected lifetime of the brand/trademark. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life. The carrying values of brands/ trademarks with finite and indefinite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Company does not have any brands/ trademarks with indefinite useful lives.

The Company owns 166 number as on 31 March 2023 (144 number as on 31 March 2022) registered trademarks pertaining to Brand, Sub-brands and Designs in India. The Company has also entered into royalty agreements with few companies for use of Polycab brand on specific products and charges fees for the same. These intellectual property and royalty income are solely owned and earned by the company and is not shared with any stakeholder. Intellectual Property has not been capitalised in the books as it does not meet the recognition criteria in Ind AS 38.

iii. Research and development expenditure

Expenditure on research and development activities is recognised in the Statement of Profit and Loss as incurred. Development expenditure is capitalized as part of cost of the resulting other intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in Statement of profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any. During the year, the Company has incurred Capital R&D expenditure amounting to ₹150.95 million (31 March 2022 ₹60.31 million) which have been included in property, plant and equipment. Further, Revenue R&D expenditure incurred amounting to ₹191.86 million (31 March 2022 ₹162.47 million) which have been charged to the respective revenue accounts.

iv. De-recognition of other intangible assets

Other intangible asset is derecognised on disposal or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The changes in the carrying value of Other intangible assets for the year ended 31 March 2023 are as follows:

(₹ million)

	Computer Software
Gross carrying value (at cost)	
As at 01 April 2022	109.24
Additions	20.04
Disposals/Adjustments	-
As at 31 March 2023	**129.28**
Accumulated amortisation	
As at 01 April 2022	100.23
Amortisation charge for the year	8.91
Disposals/ Adjustments	-
As at 31 March 2023	**109.14**
Net carrying value	
As at 31 March 2023	**20.14**

The changes in the carrying value of Other intangible assets for the year ended 31 March 2022 are as follows:

(₹ million)

	Computer Software
Gross carrying value (at cost)	
As at 01 April 2021	111.98
Additions	1.12
Disposals	(3.86)
As at 31 March 2022	**109.24**
Accumulated amortisation	
As at 01 April 2021	92.40
Amortisation charge for the year	11.69
Disposals/ Adjustments	(3.86)
As at 31 March 2022	**100.23**
Net carrying value	
As at 31 March 2022	**9.01**

Note: The Other intangible assets include license and software of Gross carrying amount of ₹92.78 million (31 March 2022: ₹92.46 million) which has been fully amortized over the past periods and are being used by the Company.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

6. Investment

Accounting policy

i. Investment in subsidiaries and joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

A Non-current investments

(₹ million)

	Face Value Per Unit	Number	31 March 2023	Number	31 March 2022
Investments carried at amortised cost (Unquoted)					
Investment in Equity Instruments of Subsidiaries (Fully paid-up)					
Tirupati Reels Private Limited	₹10	3,300,000	33.00	3,300,000	33.00
Dowells Cable Accessories Private Limited	₹10	5,400,000	67.67	5,400,000	67.67
Uniglobus Electricals and Electronics Private Limited	₹10	9,000,000	90.00	9,000,000	90.00
Polycab Australia Pty Ltd	AU$ 1	205,000	11.66	205,000	11.66
Polycab Support Force Private Limited	₹10	260,000	2.60	260,000	2.60
Steel Matrix Private Limited	₹10	75,000	0.75	75,000	0.75
Polycab Electricals And Electronics Private Limited	₹10	100,000	1.00	100,000	1.00
Silvan Innovation Labs Private Limited (Equity share) (Refer (f))	₹100	101,956	8.95	101,956	8.95
Silvan Innovation Labs Private Limited (0.1% Compulsorily convertible preference shares (Refer (f))	₹10	291,177	39.03	291,177	39.03
Silvan Innovation Labs Private Limited (0.1% Compulsorily convertible preference shares(Class A1) (Refer (f))	₹200	1,451	2.07	1,451	2.07
Silvan Innovation Labs Private Limited (0.1% Compulsorily convertible preference shares(Class A2) (Refer (f))	₹200	4,353	6.22	4,353	6.22
Silvan Innovation Labs Private Limited (0.1% Compulsorily convertible preference shares(Class A3) (Refer (f))	₹200	13,236	17.02	13,236	17.02
Silvan Innovation Labs Private Limited (0.1% Compulsorily convertible preference shares(Class B) (Refer (f))	₹200	10,864	28.25	10,864	28.25
Compulsorily Convertible Debentures Silvan Innovation Labs Private Limited (in nature of equity) (Refer (f))	₹100	780,700	78.07	780,700	78.07
			386.29		**386.29**
Investment in Equity Instruments of Joint Venture (Fully paid-up)					
Techno Electromech Private Limited	₹10	4,040,000	105.20	4,040,000	105.20
			105.20		**105.20**
Total Non-current investments			**491.49**		**491.49**
Aggregate amount of unquoted investments			491.49		491.49
Aggregate amount of impairment value of investments			-		-

Notes to Standalone Financial Statements
for the year ended 31 March 2023

Notes:

(a) The fair value of corporate guarantee has been included in carrying cost of investment in Ryker base Private Limited. The movement of the investment in Ryker base Private Limited is given as under:

(₹ million)

	31 March 2023	31 March 2022
Investment in Ryker at amortised cost	-	514.15
Less: Divestment	-	(549.93)
Add : Guarantee provided on credit facility	-	35.78
	-	-

(b) During the previous year ended 31 March 2022, the Company has divested its 100% stake in Ryker Base Private Limited, a wholly-owned subsidiary for a consideration of ₹1,778.92 million and recognised a gain of ₹1,243.25 million which has been disclosed as an exceptional item.

(c) On 18 June 2021, the Company acquired 100% stake in Silvan Innovation Labs Private Limited making it a wholly-owned subsidiary at a consideration of ₹101.54 million. The acquisition will augment the Company's Internet of Things (IOT) results based automation offerings and expand the potential addressable market in FMEG space.

(d) During the previous year, the Company has increased its stake in a subsidiary viz Dowells Cable Accessories Private Limited from 51% to 60% for a purchase consideration of ₹21.77 million.

(e) Refer note 35A for information on financial information, principal place of business, activities and the Company's ownership interest in the above subsidiaries and joint venture.

(f) Refer note 44 for scheme of amalgamation between the Company and Silvan Innovation Laboratories Private Limited.

(₹ million)

	31 March 2023	31 March 2022
Investments measured at FVTPL (Quoted)		
Held for sale		
Investments in Liquid/ Overnight Mutual Funds	13,504.95	7,640.51
	13,504.95	**7,640.51**
Aggregate amount of quoted investments - At cost	13,456.13	7,628.52
Aggregate amount of quoted investments - At market value	13,504.95	7,640.51

Notes :

(a) Refer note 37 for accounting policies on financial instruments for methods of valuation.

(b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2023 (31 March 2022: Nil).

Notes to Standalone Financial Statements
for the year ended 31 March 2023

7. Trade receivables

(₹ million)

	31 March 2023	31 March 2022
Unsecured (at amortised cost)		
Non Current		
Trade receivables - Considered Good (Unsecured)	526.05	798.90
Non-current Trade receivables	**526.05**	**798.90**
Current		
Trade receivables - Considered Good (Unsecured)	12,355.29	13,371.17
Trade receivables - Credit Impaired	455.50	384.00
Receivables from related parties - Considered Good (Unsecured) (Refer note - 35)	552.76	413.96
Trade receivables (Gross)	**13,363.55**	**14,169.13**
Less: Impairment allowance for trade receivables	(1,159.38)	(1,243.76)
Current Trade receivables (Net)	**12,204.17**	**12,925.37**

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	1,243.76	1,423.68
Provision during the year	(31.74)	(150.98)
Bad debts written off (net)	(52.64)	(28.94)
At the end of the year	**1,159.38**	**1,243.76**

Notes:

(a) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. The Company's term includes charging of interest for delayed payment beyond agreed credit days. Company charges interest for delayed payments in certain cases depending on factors, such as, market conditions and past realisation trend.

(b) For EPC business trade receivables are non-interest bearing and credit terms are specific to contracts.

(c) For explanations on the Company's credit risk management processes, refer note 38(B).

(d) The Company follows life time expected credit loss model. Accordingly, deterioration in credit risk is not required to be evaluated annually.

(e) Trade receivables have been pledged as security against bank borrowings, the terms relating to which have been described in note 17.

(f) Refer note 37 for accounting policies on financial instruments.

(g) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, except the dues referred in note 35(F)(iii). Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 35 for the terms and conditions pertaining to related party disclosures.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(h) Trade receivables ageing schedule - Current

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	9,445.98	2,464.36	239.63	534.56	100.68	122.44	12,907.65
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	75.92	111.80	187.72
(iii) Disputed Trade Receivables - considered good	-	-	-	0.40	-	-	0.40
(iv) Disputed Trade Receivables - Credit Impaired	-	-	-	-	15.00	252.78	267.78
	9,445.98	2,464.36	239.63	534.96	191.60	487.02	13,363.55
Less: Impairment allowance for trade receivables							(1,159.38)
Total Current trade receivable							12,204.17

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,345.32	1,709.45	799.01	638.96	109.67	169.93	13,772.34
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	80.14	73.86	154.00
(iii) Disputed Trade Receivables - considered good	-	-	-	12.79	-	-	12.79
(iv) Disputed Trade Receivables - Credit Impaired	-	-	-	-	90.49	139.51	230.00
	10,345.32	1,709.45	799.01	651.75	280.30	383.30	14,169.13
Less: Impairment allowance for trade receivables							(1,243.76)
Total Current trade receivable							12,925.37

Trade receivables ageing schedule - Non-current

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	-	303.06	56.15	84.50	47.25	35.09	526.05

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment					TOTAL
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	-	56.21	77.01	202.08	192.59	271.01	798.90

Notes to Standalone Financial Statements
for the year ended 31 March 2023

8. Cash and cash equivalents

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Balances with banks		
In current accounts [i]	1,018.00	985.12
Deposits with original maturity of less than 3 months [ii]	200.00	152.04
Cash on hand	0.57	1.11
	1,218.57	**1,138.27**

(i) There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.

(ii) Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

9. Bank balance other than cash and cash equivalents

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Deposits with original maturity for more than 3 months but less than 12 months [i]	5,237.44	2,764.10
Earmarked balance [ii]	1.56	2.87
	5,239.00	**2,766.97**

(i) Fixed deposit of ₹12.69 million (31 March 2022: ₹16.60 million) is restricted for withdrawal, as it is lien against project specific advance.

(ii) Earmarked balances with banks relate to unclaimed dividends (Refer note 20).

10. Loans

Loans - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Loans Receivables (Considered good – Unsecured)		
Loans to supplier	-	19.04
Loans to related party (Refer note - 35)	157.00	147.45
Loans to employees	3.47	7.62
	160.47	**174.11**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Note: Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of Companies Act, 2013

(A) Amount of loans/ advances in the nature of loans outstanding from Subsidiaries and Joint Venture:

(₹ million)

		Interest Rate	Outstanding as at		Maximum amount outstanding during the year	
			31 March 2023	31 March 2022	31 March 2023	31 March 2022
(i)	**Subsidiaries**					
	Unsecured, considered good					
	Ryker Base Private Limited (has utilised this loan for ECB loan repayment and general corporate purpose)	MCLR + 100 BP	-	-	-	300.00
	Polycab Support Force Private Limited (has utilised this loan for general corporate purpose)	8.75%	5.00	-	12.50	-
	Uniglobus Electricals and Electronics Private Limited (has utilised this loan for general corporate purpose)	8.75% and 11.25%	-	1.95	56.61	71.44
	Silvan Innovation Labs Private Limited(has utilised this loan for general corporate purpose)	11.25%	52.00	45.50	52.00	45.50
	Polycab Australia Pty Ltd (has utilised this loan for general corporate purpose)	LIBOR + 400 BP	-	-	-	25.07
(ii)	**Joint Venture**					
	Unsecured, considered good					
	Techno Electromech Private Limited (has utilised this loan for general corporate purpose)	9.00%	100.00	100.00	100.00	115.21

(B) Amount of loans/ advances in the nature of loans outstanding from Subsidiaries and Joint Venture:

(₹ million)

		31 March 2023	%	31 March 2022	%
(i)	**Subsidiaries**				
	Unsecured, considered good				
	Uniglobus Electricals and Electronics Private Limited	-	0%	1.95	1%
	Polycab Support Force Private Limited	5.00	3%	-	0%
	Silvan Innovation Labs Private Limited	52.00	33%	45.50	31%
(ii)	**Joint Venture**				
	Unsecured, considered good				
	Techno Electromech Private Limited	100.00	64%	100.00	68%

(C) Details of investments made are given in Note 6A and 35D.

(D) Details of guarantee issued and outstanding are given in Note 35E. Guarantees are issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

(E) The Company has complied with the provision section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

(F) The Company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

(G) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(H) Loan has been given to related parties are repayable on demand.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

11. Other financial assets

A Other financial assets - Non-current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Unsecured, considered good		
Security deposits and Earnest money deposits	15.31	15.22
Rental deposits		
Others	35.48	23.75
Deposits with bank having maturity period of more than 12 months	-	119.80
	50.79	**158.77**

B Other financial assets - Current

(₹ million)

		31 March 2023	31 March 2022
At amortised cost			
Unsecured, considered good			
Security deposits and Earnest money deposits	(A)	24.83	11.43
Rental deposits, unsecured, considered good			
Related Parties (Refer note - 35)		6.17	6.17
Others		23.82	14.04
	(B)	**29.99**	**20.21**
Interest accrued on bank deposits		142.92	52.69
Interest receivables			
Related Parties (Refer note - 35)		6.85	3.65
Other than Related Parties		1.02	1.43
Others		89.23	84.08
	(C)	**240.02**	**141.85**
At FVTPL			
Derivative Assets (Refer below note)	(D)	7.86	238.74
	(A+B+C+D)	**302.70**	**412.23**

Note:

Derivative Assets

(₹ million)

	31 March 2023	31 March 2022
Embedded derivatives	-	196.27
Forward contract	7.86	42.47
	7.86	**238.74**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

12. Income taxes

Accounting policy

Income tax expenses comprise current tax and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax received / receivable pertains to prior period recognised when reasonable certainty arise for refund acknowledged by the Income-tax department. Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date. The effect of changes in tax rates on deferred tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

The tax jurisdiction of the Company is India. The Company's tax return for past years are generally subject to examination by the tax authorities. The Company has made provisions for taxes basis its best judgement, considering past resolutions to disputed matters by adjudicating authorities, prior year assessments and advice from external experts, if required.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

Further, the Company periodically receives notices and inquiries from Indian income tax authorities related to the Company's operations. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands, if any, by the income tax authorities will not succeed on ultimate resolution.

A Income tax expense in the statement of profit and loss comprises:

(₹ million)

	31 March 2023	31 March 2022
Current tax:		
In respect of current year	4,017.43	3,058.47
Adjustments of tax relating to earlier years	1.84	(20.80)
	4,019.27	**3,037.67**
Deferred tax:		
Relating to origination and reversal of temporary differences	152.84	(65.00)
Adjustments of tax relating to earlier years	(1.05)	(37.04)
	151.79	**(102.04)**
	4,171.06	**2,935.63**

B OCI section - Deferred tax related to items recognised in OCI during the year:

(₹ million)

	31 March 2023	31 March 2022
Net loss/(gain) on remeasurements of defined benefit plans	8.78	4.85
Net loss/(gain) on Designated Cash Flow Hedges	(0.15)	0.15
	8.63	**5.00**

C Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:

(₹ million)

	31 March 2023	31 March 2022
Profit before tax	16,886.93	12,248.35
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expenses	4,250.10	3,082.66
Effect of differential tax impact due to the following (tax benefit)/ tax expenses:		
CSR expenses	56.58	48.29
Deferred government grants	(35.29)	(5.21)
Others	(101.12)	(132.27)
Adjustments of tax relating to earlier years	0.79	(57.84)
	4,171.06	**2,935.63**

D The details of tax assets / (liabilities) as at 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Non-current tax assets (net of provision for taxation)	147.33	369.94
Current tax liabilities (net of advance tax)	(346.04)	(153.11)
Net current tax asset / (liability) at the end of the year	**(198.71)**	**216.83**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

E The movement in the net current tax assets/ (liability) for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Net current tax asset / (liability) at the beginning	216.83	2.21
Income tax paid	3,603.73	3,281.19
Effect of interest on income-tax order	-	13.90
Interest liability adjusted against advance tax	-	(42.80)
Current tax expense	(4,017.43)	(3,058.47)
Adjustments of tax relating to earlier years	(1.84)	20.80
Net current tax asset / (liability) at the end	**(198.71)**	**216.83**

F The movement in net deferred tax assets and liabilities

For the year ended 31 March 2023

(₹ million)

	Carrying value as at 01 April 22	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2023
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and other intangible assets	(652.24)	(104.21)	-	(756.45)
Provision for employee benefits	93.26	30.77	(8.78)	110.40
Cash flow hedges	(0.15)	-	0.15	-
Receivables, financial assets at amortised cost	310.03	(46.62)	-	263.41
Lease liabilities	1.15	2.23	-	3.38
Others	7.35	(33.96)	-	(21.76)
Total deferred tax assets / (liabilities)	**(240.60)**	**(151.79)**	**(8.63)**	**(401.02)**

For the year ended 31 March 2022

(₹ million)

	Carrying value as at 01 April 21	Changes through profit and loss	Changes through OCI	Carrying value as at 31 March 2022
Deferred tax assets / (liabilities) in relation to				
Property, plant and equipment and other intangible assets	(629.58)	(22.66)	-	(652.24)
Provision for employee benefits	87.02	6.24	(4.85)	88.41
Cash flow hedges	-	-	(0.15)	(0.15)
Receivables, financial assets at amortised cost	192.87	117.16	-	310.03
Lease liabilities	0.78	0.37	-	1.15
Others	11.27	0.93	-	12.20
Total deferred tax assets / (liabilities)	**(337.64)**	**102.04**	**(5.00)**	**(240.60)**

G Reconciliation of deferred tax assets/ liabilities (net):

(₹ million)

	31 March 2023	31 March 2022
Net deferred tax asset / (liability) at the beginning	(240.60)	(337.64)
Tax (income)/expense on adjustment of tax relating to earlier year	1.05	37.04
Tax (income)/expense recognised in profit or loss	(152.84)	65.00
Tax (income)/expense recognised in OCI	(8.63)	(5.00)
Net deferred tax asset / (liability) at the end of the year	**(401.02)**	**(240.60)**

H Details of transaction not recorded in the books of accounts that has been surrendered/ disclosed as income during the year in the tax assessments (e.g. search) ₹ Nil (31 March 2022 ₹ Nil).

I The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

13. Other assets

A Other assets - Non-current

(₹ million)

		31 March 2023	31 March 2022
Capital advances			
Unsecured, considered good		786.85	541.45
Unsecured, considered doubtful		136.62	6.62
Gross Capital Advances		**923.47**	**548.07**
Less : Impairment allowance for doubtful advance (Refer note (a) below)		(136.62)	(6.62)
Net Capital Advances	(A)	**786.85**	**541.45**
Advances other than capital advances			
Unsecured, considered good			
Prepaid expenses		75.73	12.97
Balances with statutory/government authorities		215.54	97.25
	(B)	**291.27**	**110.22**
	(A)+(B)	**1,078.12**	**651.67**

Note:

(a) Change in impairment allowance for doubtful advances

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	6.62	6.62
Provision during the year	130.00	-
At the end of the year	**136.62**	**6.62**

B Other assets - Current

(₹ million)

	31 March 2023	31 March 2022
Advances other than capital advances		
Unsecured, considered good		
Advances for materials and services	2,875.42	3,173.95
Advances for materials and services - Related parties (Refer note 35)	169.10	-
Contract asset (Refer below note(a))		
Unsecured, considered good	135.54	95.09
Credit Impaired	5.65	11.82
Less: Impairment allowance for Contract assets - Credit impaired (Refer below note (b))	(5.65)	(11.82)
	135.54	**95.09**
Others		
Unsecured, considered good		
Prepaid expenses	28.63	59.80
Balances with statutory/government authorities	2,630.05	495.77
Export incentive receivable	25.67	23.92
Right of return assets (Refer below note (c))	286.19	287.24
	6,150.60	**4,135.77**

Notes:

(a) Reconciliation of Contract assets:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	95.09	141.02
Unbilled revenue	153.54	353.09
Billed to customer	(106.92)	(399.02)
Impairment allowance	(6.17)	-
At the end of the year	**135.54**	**95.09**

Notes to Standalone Financial Statements
for the year ended 31 March 2023

The Company follows life time expected credit loss provisioning model for contract asset. Accordingly, deterioration in credit risk is not required to be evaluated annually.

(b) Change in impairment allowance:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	11.82	11.82
Provision during the year	(6.17)	-
At the end of the year	**5.65**	**11.82**

(c) Reconciliation of Right of return assets:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	287.24	222.21
Arising during the year	314.30	289.25
Utilised during the year	(315.35)	(224.22)
At the end of the year	**286.19**	**287.24**

14. Inventories

Accounting policy

Raw materials, stock in trade, Work-in-Progress, finished goods, packing materials, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost or net realizable value (""NRV"") after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs, including inward freight, incurred in bringing goods to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Cost of stock-in-trade includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Copper and aluminium is purchased on provisional price with option to fix the purchase price based on current or future pricing model based on LME. Such feature is kept to hedge against exposure in the value of inventory of copper and aluminium due to volatility in copper and aluminium prices. Since, the value of the copper and aluminium changes with response to change in commodity pricing index, embedded derivatives (ED) is identified and separated from the host contract. The ED so separated, is treated like commodity derivative and qualifies for hedge accounting. These derivatives are put into a Fair Value hedge relationship with respect to unpriced inventory. The Company designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it no longer qualifies for hedge accounting or when the hedged item is sold (Refer note 39).

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Raw materials	12,435.12	5,356.31
Work-in-progress	2,174.94	2,168.67
Finished goods	11,088.30	11,179.73
Stock-in-trade	1,198.64	1,610.56
Stores and spares	322.12	258.53
Packing materials	385.04	284.10
Scrap materials	429.91	523.10
Project materials for long-term contracts	633.99	91.95
	28,668.06	**21,472.95**

Notes:

(a) The above includes goods in transit as under:

(₹ million)

	31 March 2023	31 March 2022
Raw Material	557.34	232.14
Stock-in-trade	23.17	51.24
Stores and spares	11.40	0.51
Project materials for long-term contracts	3.58	6.16

(b) The above includes inventories held by third parties amounting to ₹5,212.98 million (31 March 2022 - ₹320.55 million)

(c) During the year ended 31 March 2023, ₹4.32 million (31 March 2022 - ₹1.93 million) was recognised as an expense for inventories carried at net realisable value.

(d) Inventories are hypothecated with the bankers against working capital limits (Refer note 17).

15. Equity Share Capital

(₹ million)

	31 March 2023	31 March 2022
Authorised share capital		
Equity shares, ₹10 per value 186,250,000 (186,250,000) equity shares*	1,862.50	1,862.50
Issued, subscribed and fully paid-up shares		
Equity shares, ₹10 per value 149,765,278 (149,443,040) equity shares	1,497.65	1,494.43
	1,497.65	**1,494.43**

* Number of equity shares reserved for issue under employee share based payment Number 786,160 (31 March 2022 : Number 1,265,159)

Notes:

(a) The reconciliation of shares outstanding and the amount of share capital as at 31 March 2023 and 31 March 2022 are as follow:

(₹ million)

	31 March 2023		31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	149,443,040	1,494.43	149,118,814	1,491.19
Add: Shares issued on exercise of employee stock option	322,238	3.22	324,226	3.24
At the end of the year	**149,765,278**	**1,497.65**	**149,443,040**	**1,494.43**

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The details of Shareholding of Promoters are as under as at 31 March 2023 and 31 March 2022 are as follows:

	31 March 2023		31 March 2022		% Change during the year
	Number of Shares	Total share	Number of Shares	Total share	
Mr. Inder T. Jaisinghani	18,873,976	12.60%	19,383,976	13.00%	-0.40%
Mr. Girdhari T. Jaisinghani	14,736,283	9.84%	15,181,283	10.18%	-0.34%
Mr. Ajay T. Jaisinghani	17,870,747	11.93%	19,347,247	12.97%	-1.04%
Mr. Ramesh T. Jaisinghani	17,525,008	11.70%	18,485,008	12.40%	-0.70%

(d) The details of shareholders holding more than 5% shares as at 31 March 2023 and 31 March 2022 are as follows:

	31 March 2023		31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Mr. Inder T. Jaisinghani	18,873,976	12.60%	19,383,976	13.00%
Mr. Girdhari T. Jaisinghani	14,736,283	9.84%	15,181,283	10.18%
Mr. Ajay T. Jaisinghani	17,870,747	11.93%	19,347,247	12.97%
Mr. Ramesh T. Jaisinghani	17,525,008	11.70%	18,485,008	12.40%

(e) Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date :

There were no buy back of shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

(f) Dividend

Accounting policy

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

The Company declares and pays dividend in Indian rupees in accordance with its dividend distribution policy. Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

Dividend on equity share

(₹ million)

	31 March 2023	31 March 2022
Dividend on equity shares declared and paid during the year		
Final dividend of ₹14.00 per share for FY 2021-22 paid in FY 2022-23 (Proposed by Board of Directors in the meeting held on 10 May 2022 and was approved by Shareholders in the meeting held on 29 June 2022)	2,094.49	1,491.60
	2,094.49	**1,491.60**

Notes to Standalone Financial Statements
for the year ended 31 March 2023

Proposed dividend on equity share

The Board of Directors in their meeting on 12 May 2023 recommended a final dividend of ₹20 /- per equity share for the financial year ended 31 March 2023. This payment is subject to the approval of shareholders in the Annual General Meeting of the Company and if approved would result in a net cash outflow of approximately ₹2,995 million. It is not recognised as a liability as at 31 March 2023.

(g) Employee stock Option Plan (ESOP)

Accounting policy

Equity settled share based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "ESOP Outstanding". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates. Corresponding balance of a ESOP Outstanding is transferred to general reserve upon expiry of grants or upon exercise of stock options by an employee.

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Employee stock option plan

The Company had instituted an ESOP Plan 2018, ESOP Performance Scheme, and ESOP Privilege Scheme as approved by the Board of Directors and Shareholders dated 30 August 2018 for issuance of stock option to eligible employees of the Company.

Under **Employee Stock Options Performance Scheme 2018** the options will be vested in the specified ratio subject to fulfilment of the employee performance criteria laid down in the scheme. This shall be monitored annually as per the performance evaluation cycle of the company and options shall vest based on the achieved rating to the employee.

Under **Employee Stock Options Privilege Scheme 2018** the options are vested over a period of one year subject to fulfilment of service condition.

Expected volatility is based on historical stock volatility of comparable Companies operating within the same industry. The historical stock prices of comparable Companies has been observed for a period commensurate to the the Life of option.

Pursuant to the said scheme, Stock options convertible into 3,387,750 equity shares vide ESOP Performance Scheme and 142,250 equity shares vide ESOP Privilege Scheme of ₹10 each were granted to eligible employee including group companies at an exercise price of ₹405/-.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Subject to terms and condition of the scheme, options are classified into six categories:

	Performance Scheme					Privilege Scheme
	I	II	III	IV	V	VI
Number of options	2,102,500	45,000	65,000	156,000	100,000	142,250
Method of accounting	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Vesting period	5 years graded vesting	5 years graded vesting	5 years graded vesting	5 years graded vesting	5 years graded vesting	1 year
Grant date	30-Aug-18	18-Oct-18	23-Jan-21	13-May-21	04-Oct-21	30-Aug-18
Exercise/ Expiry date	29-Aug-26	17-Oct-26	22-Jan-29	12-May-29	03-Oct-29	29-Aug-23
Exercise period	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	8 years from the date of grant	5 years from the date of grant
Weighted average share price	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90	₹1,612.90
Grant/Exercise price	₹405	₹405	₹405	₹405	₹405	₹405
Method of settlement	Equity - settled	Equity - settled	Equity - settled	Equity - settled	Equity - settled	Equity - settled
Weighted average remaining contractual life of options (in days)	479	479	479	479	479	NIL

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 30 August 2018 and 18 October 2018):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.19%	0.19%	0.19%	0.19%	0.19%
Risk free interest rate	8.20%	8.20%	8.20%	8.20%	8.30%
Expected volatility	48.30%	48.20%	49.20%	48.20%	47.30%
Fair value per option	₹310.10	₹321.90	₹335.10	₹343.00	₹350.40
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 23 January 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.12%	0.11%	0.12%	0.11%	0.13%
Risk free interest rate	5.10%	5.29%	5.44%	5.59%	5.73%
Expected volatility	34.37%	34.25%	34.88%	35.42%	37.10%
Fair value per option	₹955.87	₹967.70	₹978.57	₹990.75	₹1,003.15
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 13 May 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.72%	0.65%	0.71%	0.65%	0.70%
Risk free interest rate	5.54%	5.68%	5.86%	6.03%	6.13%
Expected volatility	35.10%	34.88%	34.97%	35.55%	35.99%
Fair value per option	₹1,186.89	₹1,198.43	₹1,203.36	₹1,216.12	₹1,220.57
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The model inputs for fair value of option granted as on the grant date (In respect of shares granted on 04 October 2021):

	Performance Scheme				
	Year 1 15% vesting	Year 2 15% vesting	Year 3 20% vesting	Year 4 20% vesting	Year 5 30% vesting
Exercise price	₹405	₹405	₹405	₹405	₹405
Dividend yield	0.38%	0.34%	0.39%	0.36%	0.39%
Risk free interest rate	5.66%	5.84%	6.00%	6.15%	6.27%
Expected volatility	35.16%	35.35%	34.97%	35.06%	35.91%
Fair value per option	₹1,998.40	₹2,010.23	₹2,014.32	₹2,026.10	₹2,030.48
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes	Black Scholes

	Privilege Scheme
	Year 1 100% vesting
Exercise price	₹405
Dividend yield	0.19%
Risk free interest rate	8.30%
Expected volatility	47.30%
Fair value per option	₹350.40
Model used	Black Scholes

The activity in the ESOP Plan 2018 (ESOP Performance Scheme and ESOP Privilege Scheme) is as follows:

	31 March 2023		31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
ESOP Performance Scheme				
Outstanding at the beginning	1,254,909	405	1,538,192	405
Granted	34,000	405	256,200	405
Exercised and allotted	309,438	405	313,801	405
Exercised and pending allotment	3,740	405	10,800	405
Transfer to general reserve	-	405	3,050	405
Forfeited	197,821	405	211,832	405
Outstanding at the end	**777,910**	**405**	**1,254,909**	**405**
ESOP Privilege Scheme				
Outstanding at the beginning	10,250	405	13,750	405
Exercised and allotted	2,000	405	3,500	405
Exercised and pending allotment	-	405	-	405
Outstanding at the end	**8,250**	**405**	**10,250**	**405**

Shares allotted under ESOP during the year

	31 March 2023		31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
FY 2022-23				
ESOP Performance Scheme	309,438	405	313,801	405
ESOP Privilege Scheme	2,000	405	3,500	405
FY 2021-22				
ESOP Performance Scheme	10,800	405	5,925	405
ESOP Privilege Scheme	-	405	1,000	405
	322,238		**324,226**	

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Options Vested but not exercised

(₹ million)

	31 March 2023	31 March 2022
ESOP Performance Scheme	139,940	149,759
ESOP Privilege Scheme	8,250	10,250

The break-up of employee stock compensation expense is as follow:

(₹ million)

	31 March 2023	31 March 2022
Granted to		
KMP and Executive Directors	3.07	5.82
Employees other than KMP and Executive Directors	104.54	155.34
	107.61	**161.16**

16. Other equity

(₹ million)

	31 March 2023	31 March 2022
Share application money pending allotment	2.78	7.98
Capital reserve	0.13	0.13
Securities premium	7,822.56	7,554.95
General reserve	651.69	651.69
ESOP outstanding	313.17	343.54
Retained earnings	55,803.35	45,155.85
Cash flow hedging reserve	-	0.43
	64,593.68	**53,714.57**

Notes:

(a) Capital Reserve:

The Company has created the reserve pursuant to amalgamation in an earlier years.

(b) Securities premium:

Amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. It will be used as per the provision of Companies Act, 2013

(₹ million)

	31 March 2023	31 March 2022
Opening balance	7,554.95	7,318.10
Add: Adjustment for exercise of stock option	267.61	236.85
	7,822.56	**7,554.95**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(c) General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit or loss.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	651.69	650.69
Add: Transfer on account of employee stock options not exercised	-	1.00
	651.69	**651.69**

(d) ESOP outstanding

Fair value of equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding . The Company has two stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees. The ESOP Outstanding is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	343.54	286.92
Add: ESOP charge during the year	107.61	161.16
Add: ESOP charge recovered from group companies	-	6.68
Less: Transfer on account of employee stock options not exercised	-	(1.00)
Less: Adjustment for exercise of stock option	(137.98)	(110.22)
	313.17	**343.54**

(e) Cash flow hedging reserve

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the statement of Profit and Loss upon the occurrence of the related forecasted transaction.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	0.43	-
Add: Other Comprehensive Income for the year	(0.43)	0.43
	-	**0.43**

(f) Retained earnings

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	45,155.85	37,320.31
Add: Profit during the year	12,741.99	9,327.14
Less: Final equity dividend	(2,094.49)	(1,491.60)
	55,803.35	**45,155.85**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(g) Share application money pending allotment

Share application money pending allotment, represents amount received from employees who has exercised Employee Stock Option Scheme (ESOS) for which shares are pending allotment as on balance sheet date.

(₹ million)

	31 March 2023	31 March 2022
Opening balance	7.98	4.96
Add: Adjustment for exercise of stock option	137.98	110.22
Add: Amount received on exercise of employee stock options	127.65	132.88
Less: Transfer to equity share capital & securities premium for fresh issue	(270.83)	(240.08)
	2.78	**7.98**

17. Borrowings

(₹ million)

	31 March 2023	31 March 2022
Others		
At amortised cost		
Short-term loan from banks (Unsecured) (Refer note - 37B)	821.25	765.42
	821.25	**765.42**

Notes:

(a) For secured loans, charge created by way of:

(i) First ranking pari passu charge by way of hypothecation over the entire current assets including but not limited to Stocks and Receivables.

(ii) Pari passu first charge by way of hypothecation on the entire movable fixed assets.

(iii) Charges with respect to above borrowing has been created in favour of security trustee. No separate charge has been created for each of the borrowing.

(iv) All charges are registered with ROC within statutory period by the Company.

(v) Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.

(vi) Bank returns / stock statements filed by the Company with its bankers are in agreement with books of account.

(b) Credit facilities

The Company has fund based and non-fund based revolving credit facilities amounting to ₹40,250.40 million (31 March 2022: ₹38,564.30 million), towards operational requirements that can be used for the short term loan, issuance of letters of credit and bank guarantees. The unutilised credit line out of these working capital facilities at the year end are given as below:

(₹ million)

	31 March 2023	31 March 2022
Fund based	4,438.81	4,364.30
Non-fund based	4,198.06	17,057.60
	8,636.87	**21,421.90**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(c) Reconciliation of movement in borrowings to cash flows from financing activities

(₹ million)

	31 March 2023	31 March 2022
Opening balance		
Short term borrowings (excluding Cash Credit from banks)	765.42	918.72
	765.42	**918.72**
Cash flow movements		
Repayment of long term borrowings	-	(29.93)
Repayment of short term borrowings	-	(5.24)
	-	**(35.17)**
Non-cash movements		
Other adjustment	55.83	(118.13)
	55.83	**(118.13)**
Closing Balance		
Short term borrowings (excluding Cash Credit from banks)	821.25	765.42
	821.25	**765.42**

Refer note 4 for reconciliation of movement in lease liabilities to cash flows from financing activities.

18. Lease liabilities

A Lease liabilities - Non-current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost	221.46	239.92
	221.46	**239.92**

B Lease liabilities - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost	136.99	103.34
	136.99	**103.34**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

19. Trade payables

Accounting policy

These amounts represent liabilities for goods and services provided to the Company during the year and are unpaid at the year end. The amounts are unsecured and are usually paid within 30 to 90 days of recognition other than usance letter of credit. Trade payables are presented as current financial liabilities.

The Company enters into arrangements for purchase under usance letter of credit issued by banks under non-fund based working capital limits of the Company. Considering these arrangements are majorly for raw materials with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as acceptances under trade payables.

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Total outstanding dues of micro and small enterprises		
Trade payables to related parties (Refer Note - 35)	28.95	51.60
Trade payables - Others	519.01	585.17
	547.96	**636.77**
Total outstanding dues of creditors other than micro and small enterprises		
Acceptances (Refer note below (a))	12,257.56	6,173.58
Other than acceptances		
Trade payables to related parties (Refer note - 35)	260.70	172.09
Trade payables - Others (Refer note below (b))	6,891.28	4,811.11
	19,409.54	**11,156.78**

Notes:

(a) Acceptances represent amounts payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by Banks for the Company. The arrangements are interest-bearing. Non-fund limits are secured by first pari-passu charge over the present and future current assets of the Company.

(b) Others include amount payable to vendors, employees liability and accrual of expenses that are expected to be settled in the Company's normal operating cycle or due to be settled within twelve months from the reporting date.

(c) For the terms and conditions with related parties, refer note 35.

(d) For explanations on the Company's liquidity risk management processes refer note 38(C).

(e) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2023 and year ended 31 March 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ million)

	31 March 2023	31 March 2022
(i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	545.54	634.96
Interest	2.42	1.81
(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	1.81	2.89
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	2.42	1.81
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(f) **Trade Payables ageing schedule**

As at 31 March 2023

(₹ million)

	Not due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) MSME	**418.16**	**129.80**	-	-	-	**547.96**
(ii) Others						
Acceptances	12,257.56	-	-	-	-	12,257.56
Other than acceptances	2,241.53	876.67	6.47	2.81	7.56	3,135.04
(iii) Disputed dues - Others	-	-	-	-	-	-
	14,499.09	**876.67**	**6.47**	**2.81**	**7.56**	**15,392.60**
(iv) Accrued expenses						4,016.94
						19,409.54

As at 31 March 2022

(₹ million)

	Not Due	Outstanding for following periods from due date of payment: Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL
(i) MSME	**627.91**	**8.86**	-	-	-	**636.77**
(ii) Others						
Acceptances	6,173.58	-	-	-	-	6,173.58
Other than acceptances	1,526.90	498.44	3.52	0.94	11.07	2,040.87
(iii) Disputed dues - Others	-	-	-	0.28	-	0.28
	7,700.48	**498.44**	**3.52**	**1.22**	**11.07**	**8,214.73**
(iv) Accrued expenses						2,942.05
						11,156.78

20. Other financial liabilities - Current

(₹ million)

	31 March 2023	31 March 2022
At amortised cost		
Security deposit	44.11	45.02
Interest accrued but not due	88.82	2.51
Creditors for capital expenditure	563.69	466.96
Unclaimed dividend (Refer below note (b))	1.56	2.87
At FVTPL		
Derivative liability (Refer below note (a))	129.32	138.42
	827.50	**655.78**

Notes:-

(a) Derivative Liability

(₹ million)

	31 March 2023	31 March 2022
Forward contract	26.97	-
Embedded derivatives	26.18	-
Commodity contracts	76.17	138.42
	129.32	**138.42**

(b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

(c) Company had provided a guarantee for credit facility availed by the Tirupati Reels Private Limited, amounting to ₹520.00 million (31 March 2022 : ₹520.00 million).

Notes to Standalone Financial Statements
for the year ended 31 March 2023

21. Provisions

Accounting policy:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit & Loss. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision is recognised for expected warranty claims and after sales services when the product is sold or service provided to the customer, based on past experience of the level of repairs and returns. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually. It is expected that significant portion of these costs will be incurred in the next financial year and the total warranty-related costs will be incurred within warranty period after the reporting date. Assumptions used to calculate the provisions for warranties were based on current sales levels and current information available about returns during the warranty period for all products sold.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A Provisions - Non-current

(₹ million)

	31 March 2023	31 March 2022
Provision for employee benefits (Refer note 29)		
Gratuity	145.93	132.92
Compensated absences	137.14	122.74
Others (Refer note below)	162.53	-
	445.60	**255.66**

Note: Reconciliation of Others:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	-	-
Arising during the year	162.53	-
Utilised during the year	-	-
At the end of the year	**162.53**	**-**

Others includes matters relating to indirect tax matters.

B Provisions - Current

(₹ million)

	31 March 2023	31 March 2022
Provision for employee benefits (Refer note 29)		
Gratuity	127.38	117.39
Compensated absences	30.27	26.35
Provision for warranty (Refer note below)	109.02	108.64
At the end of the year	**266.67**	**252.38**

Note: Reconciliation of Warranty provision:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	108.64	107.23
Arising during the year	99.20	78.23
Utilised during the year	(98.82)	(76.82)
At the end of the year	**109.02**	**108.64**

Notes to Standalone Financial Statements
for the year ended 31 March 2023

22. Other liabilities

A Other liabilities- Non-current

(₹ million)

	31 March 2023	31 March 2022
Deferred government grant (Refer below note (a))	143.77	160.07
Deferred liability	25.30	46.98
	169.07	**207.05**

B Other liabilities- Current

(₹ million)

	31 March 2023	31 March 2022
Advance from customers	329.07	398.36
Advance from customers - Related Party (Refer note 35)	114.86	-
Contract liability (Refer below note (b))	905.32	1,435.57
Deferred liability	25.30	23.49
Refund liability (Refer below note (c))	629.37	629.38
Other statutory dues		
Employee recoveries and employer contributions	23.53	19.18
Taxes payable (Other than Income tax)	638.54	691.17
	2,665.99	**3,197.15**

Notes:

(a) Under Ind AS government grants are recorded as deferred liabilities to the extent of unfulfilled export obligations. This amount has been recognised against deferred government grant and accrued to Statement of Profit & Loss subsequently on fulfilment of export obligation. The Company expects to meet its export obligation during the next 3-5 years.

Reconciliation of Deferred government grant:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	160.07	123.72
Grants received during the year	133.07	57.07
Grants recognised for the year	(149.37)	(20.72)
At the end of the year	**143.77**	**160.07**

(b) Reconciliation of Contract liabilities:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of year	1,435.57	1,805.39
Contract liability recognised during the year	2,437.34	816.45
Revenue recognised from amount included in contract liabilities	(2,967.59)	(1,186.27)
At the end of the year	**905.32**	**1,435.57**

(c) Reconciliation of Refund liability:

(₹ million)

	31 March 2023	31 March 2022
At the beginning of the year	629.38	487.49
Arising during the year	719.45	663.87
Utilised during the year	(719.46)	(521.98)
At the end of the year	**629.37**	**629.38**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

23. Revenue from operations

Accounting Policy

IND AS 115 was made effective from 1 April 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard replaced IND AS 18 & IND AS 11 and interpretations on revenue recognition related to sale of goods and services. The Company has applied the modified retrospective approach and accordingly has included the impact of Ind AS 115.

(i) Measurement of revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue.

(ii) Performance obligations

(a) Sale of goods

Revenue from contracts with customers involving sale of these products is recognised at a point in time when control of the product has been transferred at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, and there are no unfulfilled obligation that could affect the customer's acceptance of the products and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. At contract inception, the Company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue from contracts with customers is recognised when control of goods are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The point of time of transfer of control to customers depends on the terms of the trade - CIF, CFR or DDP, ex-works, etc.

(b) Revenue from construction contracts

Performance obligation in case of revenue from long - term contracts is satisfied over the period of time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, the same may not be possible if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In some circumstances, if the Company is not able to reasonably measure the outcome of a performance obligation, but expects to recover the costs incurred in satisfying the performance obligation, the company shall recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The timing of the transfer of control varies depending on individual terms of the sales agreements.

The total costs of contracts are estimated based on technical and other estimates. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Statement of Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract.

In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(iii) Variable consideration

It includes volume discounts, price concessions, liquidity damages, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The Company adjust estimate of revenue at the earlier of when the most likely amount of consideration the Company expect to receive changes or when the consideration becomes fixed.

(iv) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, kind etc. Revenue from contract with customer is presented deducting cost of all these schemes.

(v) Significant financing components

In respect of advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

(vi) Warranty

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty as per note 21. In certain contracts, the Company provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two separate performance obligations, because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a contract liability at the time of recognition of revenue. Revenue allocated towards service-type warranty is recognised over a period of time on a basis appropriate to the nature of the contract and services to be rendered.

(vii) Right to return

When a contract provides a customer with a right to return the goods within a specified period, the Company estimates the expected returns using a probability-weighted average amount approach similar to the expected value method under Ind AS 115.

At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Company has a right to recover the product when customers exercise their right of return. Consequently, the Company recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Company uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

For goods expected to be returned, the Company presented a refund liability and an asset for the right to recover products from a customer separately in the balance sheet.

(viii) Onerous contracts

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(ix) Export incentives

Export incentives under various schemes notified by the Government have been recognised on the basis of applicable regulations, and when reasonable assurance to receive such revenue is established. Export incentives income is recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(x) Cost to obtain a contract

Any costs to obtain a contract or incremental costs to fulfil a contract are recognised as an asset if certain criteria are met as per Ind AS 115.

The Company applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less.

(xi) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it's recognition as income in the Statement of Profit & Loss is linked to fulfillment of associated export obligations.

The export incentive and grants received are in the nature of other operating revenue in the Statement of Profit & Loss.

Revenue from operations

(₹ million)

	31 March 2023	31 March 2022
Revenue from contracts with customers		
Revenue on Sale of Products		
Finished goods	126,753.72	109,613.81
Traded goods	7,193.76	7,598.01
Revenue from Construction Contracts	3,636.05	1,888.49
	137,583.53	**119,100.31**
Other operating revenue		
Job work income	0.56	4.28
Scrap sales	1,196.15	1,666.99
Total revenue from contracts with customers	**138,780.24**	**120,771.58**
Export incentives	21.09	24.07
Government grant	314.36	183.44
Total Revenue from operations	**139,115.69**	**120,979.09**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Notes:

(a) Disaggregated revenue information

(₹ million)

	31 March 2023	31 March 2022
Type of Goods or Services		
Wires & Cables	123,328.21	106,401.04
Fast Moving Electrical Goods (FMEG)	11,815.98	12,482.05
Revenue from construction contracts	3,636.05	1,888.49
Total revenue from contracts with customers	**138,780.24**	**120,771.58**
Location of customer		
India	124,823.01	111,492.73
Outside India	13,957.23	9,278.85
Total revenue from contracts with customers	**138,780.24**	**120,771.58**
Timing of revenue recognition		
Goods transferred at a point in time	135,123.77	118,839.08
Goods and Services transferred over a period of time	3,656.47	1,932.50
Total revenue from contracts with customers	**138,780.24**	**120,771.58**
Revenue from B2B and B2C Vertical		
Business to Consumer	46,334.00	46,240.89
Business to Business	90,241.00	73,577.51
Others (i)	2,205.24	953.18
Total revenue from contracts with customers	**138,780.24**	**120,771.58**

Notes: (i) Others includes discounts, scrap sales, raw material sales, and job work income.

(b) Reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

(₹ million)

	31 March 2023	31 March 2022
Total revenue from contracts with customers	138,780.24	120,771.58
Export incentives (i)	21.09	24.07
Government grant (ii)	314.36	183.44
Other income excluding finance income	389.84	406.77
Total income as per Segment (Refer note 36)	**139,505.53**	**121,385.86**

Notes:

(i) Export incentive includes Remission of Duties and Taxes on Export Products (RoDTEP) and duty drawback incentives.

(ii) Government grant includes advance licence benefits and deferred income released to the statement of profit and loss on fulfilment of export obligation under the export promotion capital goods (EPCG) scheme.

(c) Reconciliation between revenue with customers and contracted price as per Ind AS 115:

(₹ million)

	31 March 2023	31 March 2022
Revenue as per contracted price	140,697.82	123,390.31
Adjustments:		
Price adjustments such as Discounts, Rebates and Sales Promotion Schemes	(2,501.97)	(1,187.90)
Contract liabilities (excess billing over revenue recognised as per applicable Ind-AS)	530.25	(1,435.57)
Provisions for expected sales return	-	(141.90)
Other adjustments	19.86	39.73
Contract assets (Unbilled Revenue - EPC)	34.28	106.91
Revenue from contract with customers	**138,780.24**	**120,771.58**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(d) Disclosure in terms of Ind AS 115 on the accounting of construction contract is as under:

(₹ million)

	31 March 2023	31 March 2022
Contract revenue recognised for the year ended	3,636.05	1,888.49
Contract that are in progress as on reporting date		
(i) Contract costs incurred and recognised profits (less recognised losses)	3,636.05	1,888.49
(ii) Amount of retentions*	523.73	796.10
(iii) Contract balances recognised and included in financial statement as:		
Contract asset	135.54	95.09
Contract liabilities	905.32	1,435.57

*Retentions are specific to projects and are generally receivable within 6 months from completion of project.

(e) Trade receivables are usually non-interest bearing and are generally on credit terms up to 90 days except EPC business. Provision for expected credit losses on trade receivables recognised/ (derecognises) during the year of ₹(31.74) million (31 March 2022: ₹(150.98) million). The Company has channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks.

(f) No single customer contributed 10% or more to the Company's revenue for the year ended 31 March 2023 and 31 March 2022.

(g) Contract assets are initially recognised for revenue earned from installation services as receipt of consideration is conditional on successful completion of installation. Upon completion of installation and acceptance / certifications by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The increase in contract assets as on 31 March 2023 is on account of unbilled revenue booked for which the billing will be done subsequently. During the year ₹6.17 million (31 March 2022: ₹ Nil) was reduced from the provision for expected credit losses on contract assets.

(h) Contract liabilities include advances received towards EPC projects as well as transaction price allocated to unexpired service contracts. The outstanding balances of these accounts decreased in FY 2022-23 due to the revenue recognition against the advance from customers received in the previous years for the projects which got closed in the current year.

(i) Set out below is the amount of revenue recognised from:

(₹ million)

	31 March 2023	31 March 2022
Amounts included in contract liabilities at the beginning of the year	2,967.59	1,186.27
Performance obligations satisfied in previous years	106.92	399.02

(j) Right of return assets and refund liabilities as at year end:

(₹ million)

	31 March 2023	31 March 2022
Right of return assets	286.19	287.24
Refund liabilities	629.37	629.38

(k) Allocation of the transaction price to the remaining performance obligations:

(₹ million)

	31 March 2023	31 March 2022
Within one year	7,607.29	2,868.67
More than one year	6,455.57	3,649.41
	14,062.86	**6,518.08**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

24. Other income

Accounting Policy:

Other income is comprised primarily of interest income, dividend income, gain on investments and exchange gain on forward contracts and on translation of other assets and liabilities.

Interest income on financial asset measured either at amortised cost or FVTPL is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Foreign Currency

The Company's Financial Statements are presented in Indian rupee (₹) which is also the Company's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency item at the balance sheet date:

(i) Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

(ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(iii) **Exchange differences:**

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit & Loss.

(₹ million)

	31 March 2023	31 March 2022
(a) Interest income on financial assets		
Carried at amortised cost		
Bank deposits	227.77	172.88
Others (refer note (i) below)	62.38	84.16
Carried at FVTPL		
Others	2.64	13.60
(b) Income from Investments designated at FVTPL		
Gain on liquid/overnight mutual funds	614.32	224.10
Fair valuation on gain on overnight mutual funds	36.83	3.52
(c) Dividend income	27.06	-
(d) Fair value gain / loss on financial instruments		
Derivatives at FVTPL (refer note (ii) below)	29.62	-
(e) Other non-operating income		
Exchange differences (net)	184.39	310.51
Gain on sale of property, plant and equipment	97.88	-
Gain on termination of lease	3.29	5.79
Sundry balances written back	1.35	15.32
Miscellaneous income	73.31	75.15
	1,360.84	**905.03**

(i) Includes interest on Income Tax refund of ₹1.03 million (31 March 2022: ₹13.90 million).

(ii) Gain on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

25. Cost of materials consumed

(₹ million)

	31 March 2023	31 March 2022
Inventories at the beginning of the year	5,640.41	8,256.39
Add: Purchases	104,621.11	89,149.30
	110,261.52	**97,405.69**
Less: Inventories at the end of the year	(12,820.16)	(5,640.41)
Cost of materials consumed	**97,441.36**	**91,765.28**

Notes:

Details of material consumed

(₹ million)

	31 March 2023	31 March 2022
Copper	56,806.32	53,869.93
Aluminium	17,143.53	16,310.49
Steel	3,459.72	2,731.56
PVC Compound/HDPE/LDPE/XLPE/Resin	12,883.64	11,768.86
Packing Materials	2,529.32	2,001.98
Others *	4,618.83	5,082.46
	97,441.36	**91,765.28**

* Others includes Raw material for consumer products

26. Purchases of stock-in-trade

(₹ million)

	31 March 2023	31 March 2022
Electrical wiring accessories	243.94	284.54
Electrical appliances	4,013.48	4,711.46
Others	305.73	1,004.10
	4,563.15	**6,000.10**

27. Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ million)

	31 March 2023	31 March 2022
Inventory at the beginning of the year		
Finished goods	11,179.73	8,005.96
Stock-in-trade	1,610.56	1,158.24
Scrap materials	523.10	226.64
Work-in-progress	2,168.67	1,405.07
	15,482.06	**10,795.91**
Inventory at the end of the year		
Finished goods	11,088.30	11,179.73
Stock-in-trade	1,198.64	1,610.56
Scrap materials	429.91	523.10
Work-in-progress	2,174.94	2,168.67
	14,891.79	**15,482.06**
Changes in Inventories	**590.27**	**(4,686.15)**

28. Project bought outs and sub-contracting cost

(₹ million)

	31 March 2023	31 March 2022
Project bought outs	1,042.00	779.34
Sub-contracting expenses for EPC	309.53	335.38
	1,351.53	**1,114.72**

Notes to Standalone Financial Statements
for the year ended 31 March 2023

29. Employee benefits expense

Accounting policy

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, incentives, special awards, medical benefits etc. and the expected cost of ex-gratia are charged to the Statement of Profit & Loss in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Compensated absences

The Company estimates and provides the liability for such short-term and long term benefits based on the terms of the policy. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

(iii) Defined contribution plans

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Company recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds. The Company's contributions to defined contribution plans are charged to the Statement of Profit & Loss as incurred.

(iv) Defined benefit plan

The Company operates a defined benefit gratuity plan for its employees. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit & Loss in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Share based payment

Equity settled share based payments to employees and other providing similar services are measured at fair value of the equity instruments at grant date.

The fair value determined at the grant date of the equity-settled share based payment is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the ESOP outstanding account (Refer note 15(g)).

No expense is recognised for options that do not ultimately vest because non market performance and/ or service conditions have not been met.

The dilutive effect, if any of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (Refer note 33).

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Employee benefits expense

(₹ million)

	31 March 2023	31 March 2022
Salaries, wages and bonus	3,946.83	3,471.72
Employees share based payment expenses	107.61	161.16
Contribution to provident and other funds	235.75	198.94
Staff welfare expense	138.40	116.61
	4,428.59	**3,948.43**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

Gratuity and other post-employment benefit plans

(A) Defined Benefit plan

Gratuity Valuation - As per actuary

In respect of Gratuity, the Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method.

Defined benefit plans expose the Company to actuarial risks such as:

(i) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(iii) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(iv) Asset Liability Matching Risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(v) Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(vi) Concentration Risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow regulatory guidelines which mitigate risk.

(vii) Variability in withdrawal rates

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(viii) Regulatory Risk

Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company operates a defined benefit plan, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The most recent actuarial valuation of the plan assets and the present value of defined obligation were carried out as at 31 March 2023 by an external independent fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method.

The following tables summarise the components of net benefit expenses recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity.

Statement of profit and loss

Net employee benefits expense recognised in profit or loss:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	76.09	68.26
Net interest cost	17.15	17.36
Net benefits expense	**93.24**	**85.62**

Net remeasurement (gain)/ loss on defined benefit plans recognised in Other comprehensive income for the year:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Actuarial (gain) /loss on obligations	(35.63)	(5.74)
Return on plan assets, excluding interest income	0.73	(13.53)
Net (Income)/Expense for the year recognised in OCI	**(34.90)**	**(19.27)**

Balance sheet

Benefits liability

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Present value of defined benefit obligation	(675.68)	(630.18)
Fair value of plan assets	402.37	379.85
Plan liability	**(273.31)**	**(250.33)**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Changes in the present value of the defined benefit obligation are as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening defined benefit obligation	630.18	577.07
Interest cost	43.07	37.45
Current service cost	76.11	68.26
Liability Transferred In/ Acquisitions	4.87	-
Benefits paid	(42.92)	(46.87)
Actuarial (gains)/losses on obligations		
Due to change in demographics assumptions	-	0.42
Due to change in financial assumptions	(26.03)	(16.78)
Due to experience	(9.60)	10.63
Closing defined benefit obligation	**675.68**	**630.18**

Changes in the fair value of plan assets are as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Opening fair value of plan assets	379.85	309.44
Interest Income	25.92	20.08
Contribution by employer	40.25	83.67
Benefits paid	(42.92)	(46.87)
Actuarial gains	(0.73)	13.53
Closing fair value of plan assets	**402.37**	**379.85**

The Company expects to contribute ₹127.38 million towards gratuity in the next year (31 March 2022: ₹117.39 million).

Current & non-current bifurcation of provision for gratuity as per actuarial valuation is as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Non-current	145.93	132.92
Current	127.38	117.39

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Investment with insurer	100%	100%

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.39%	6.85%
Expected rate of return on plan assets	7.39%	6.85%
Employee turnover	10.00%	10.00%
Salary escalation	11.00%	11.00%
Weighted average duration	8	9
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality rate after employment	N.A.	N.A.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

The average expected future service as at 31 March 2023 is 7 years (31 March 2022 - 7 years).

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Sensitivity analysis

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Projected benefit obligation on current assumptions	675.68	630.16
Delta effect of +1% change in rate of discounting	(45.29)	(42.64)
Delta effect of -1% change in rate of discounting	48.13	48.71
Delta effect of +1% change in rate of salary increase	45.95	46.32
Delta effect of -1% change in rate of salary increase	(44.32)	(41.49)
Delta effect of +1% change in rate of employee turnover	(12.69)	(12.33)
Delta effect of -1% change in rate of employee turnover	10.79	13.77

Methodology for defined benefit obligation:

The Projected Unit Credit (PUC) actuarial method has been used to assess the plan's liabilities, including those related to death-in-service and incapacity benefits.

Under PUC method a projected accrued benefit is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the plan. The projected accrued benefit is based on the plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The plan liability is the actuarial present value of the projected accrued benefits for active members.

Projected benefits payable in future years from the date of reporting.

Maturity analysis of projected benefit obligation from the fund:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
1st following year	63.16	53.65
2nd following year	58.81	53.14
3rd following year	63.96	56.69
4th following year	71.17	63.05
5th following year	68.02	65.71
Sum of years 6 to 10	304.07	267.95
Sum of years 11 years and above	656.17	608.01

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(B) Other defined benefit and contribution plans

Provident Fund

The Company contribute towards Provident Fund to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company contributes towards Provident Fund managed by Central Government and has recognised ₹85.39 million (31 March 2022: ₹62.11 million) for provident fund contributions in the Statement of Profit and Loss.

Pension Fund

Contribution to National Pension Scheme, a defined contribution scheme, is made at predetermined rates to the asset management companies under National Pension Scheme and is charged to the statement of profit and loss. The Company contribution has recognised ₹13.99 million (31 March 2022: ₹12.27 million) for contribution to National Pension Scheme in the Statement of Profit and Loss.

Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation as at balance sheet date except for Halol workers. The actuarial valuation done as per Project Unit Credit Method except for Halol workers.

The leave obligation covers the Company's liability for earned leave. The amount of the provision of ₹137.14 million (31 March 2022: ₹122.74 million) is presented as non-current and ₹30.27 million (31 March 2022: ₹26.35 million) is presented as current. The Company has recognised contribution of ₹37.40 million (31 March 2022: ₹51.62 million) for Compensated absences in the Statement of Profit and Loss.

30. Finance cost

Accounting Policy

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing cost includes interest expense on financial liabilities, interest on tax matters, exchange differences arising from the foreign currency borrowings, gain/loss on fair value of forward cover and it's premium and amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(₹ million)

	31 March 2023	31 March 2022
Interest expense on financial liabilities at amortised cost (i)	380.19	116.16
Interest expense on financial liabilities at FVTPL	32.55	32.74
Other borrowing costs (ii)	147.90	185.30
	560.64	**334.20**

(i) Interest expense includes ₹12.79 million (31 March 2022: ₹16.03 million) paid / payable to Income Tax Department.

(ii) Other borrowing costs would include bank commission charges, bank guarantee charges, letter of credit charges, premium on forward contract, fair value loss/(gain) on forward contracts, other ancillary costs incurred in connection with borrowings.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

31. Depreciation and amortisation expenses

(₹ million)

	31 March 2023	31 March 2022
Depreciation of property, plant and equipment (Refer note 3)	1,883.93	1,807.28
Depreciation of right-of-use assets (Refer note 4)	131.05	146.61
Amortisation of other intangible assets (Refer note 5)	8.91	11.69
	2,023.89	**1,965.58**

32. Other expenses

(₹ million)

	31 March 2023	31 March 2022
Consumption of stores and spares	700.37	709.62
Sub-contracting expenses	2,327.78	2,118.37
Power and fuel	1,814.92	1,421.83
Rent	51.95	59.47
Rates and taxes	103.29	85.04
Insurance	95.52	87.79
Repairs and maintenance		
Plant and machinery	36.57	34.19
Buildings	47.16	112.76
Others	103.77	96.96
Advertising and sales promotion	1,236.92	818.86
Brokerage and commission	523.75	396.96
Travelling and conveyance	495.70	371.84
Communication Cost	40.24	31.40
Legal and professional fees	875.73	702.19
Director Sitting Fees	4.42	5.36
Freight & forwarding expenses	3,065.55	2,670.42
Payments to auditor (Refer note (a) below)	11.88	11.12
Sundry advances written off	2.17	42.60
Loss on sale of property, plant and equipment and non-current assets held for sale	-	11.83
Derivatives at FVTPL (Refer below note (b))	-	85.82
Impairment allowance for trade receivable considered doubtful (Refer note 7 and 13)	(31.74)	(150.98)
CSR expenditure (Refer note (c) below)	224.79	191.89
Miscellaneous expenses	899.43	521.52
	12,630.17	**10,436.86**

Notes:

(a) **Payments to auditor:**

(₹ million)

	31 March 2023	31 March 2022
As auditor		
(i) Audit fee	10.85	10.32
(ii) Certification fees	0.25	0.25
(iii) Out of pocket expenses	0.78	0.55
	11.88	**11.12**

(b) Loss on fair valuation of financial instruments at fair value through profit or loss relates to foreign exchange fluctuation on forward contracts that are designated as at fair value through profit and loss account and on embedded derivatives, which have been separated. No ineffectiveness has been recognised on foreign exchange and interest rate hedges.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(c) Details of Corporate Social Responsibility Expenses:

(₹ million)

		31 March 2023	31 March 2022
Gross amount required to be spent by the Company during the year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.	(A)	213.33	185.48
Gross amount spent by the Company during the year			
(i) Construction / acquisition of any asset		-	-
(ii) On purposes other than (i) above:			
Rural Development		10.12	9.38
Education		28.06	73.43
Health Care		99.55	89.09
Environment		57.76	17.51
Social Empowerment		17.23	-
National Heritage Art & Culture		7.27	-
Administration cost		4.80	2.48
Total CSR spent in actual	(B)	**224.79**	**191.89**
Shortfall/(Excess)	(A-B)	**(11.46)**	**(6.41)**
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures (contributed to Polycab Social Welfare Foundation ("PSWF") where KMP's are interested)		224.79	191.89
Where a provision is made in accordance with paragraph above the same should be presented as per the requirements of Schedule III to the Act. Further, movements in the provision during the year should be shown separately		-	-
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year		-	-
The total of previous years' shortfall amounts		-	-
The reason for above shortfalls by way of a note		NA	NA

(d) The unspent amount on ongoing projects as at 31 March 2022 aggregating to ₹36.20 million was deposited in separate CSR unspent accounts by PSWF. Total amount of ₹38.38 million has been spent during the current financial year ended 31 March 2023 by utilising the above balance and the excess spent is out of surplus income during financial year ended 31 March 2023.

33. Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

Employee Stock Option Plan 2018

Pursuant to the resolutions passed by the Company's Board on 30 August 2018 and our Shareholders on 30 August 2018, the Company approved the Employee Stock Option Plan 2018 for issue of options to eligible employees which may result in issue of Equity Shares of not more than 3,530,000 Equity Shares. The company reserves the right to increase, subject to the approval of the shareholders, or reduce such numbers of shares as it deems fit.

The exercise of the vested option shall be determined in accordance with the notified scheme under the plan.

Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018

The Company also approved Employee Stock Option Performance Scheme 2018 and Employee Stock Option Privilege Scheme 2018 under which the maximum number of options granted to any grantee under ""Performance Scheme"" together with options granted in any other scheme shall not exceed 1 percent of the total share capital at the time of grant.

(a) Basic Earnings Per Share

			31 March 2023	31 March 2023
Profit for the year	₹ in million	A	12,715.87	9,312.72
Weighted average number of equity shares for basic earning per share *	Number	B	149,631,506	149,268,712
Earnings per shares - Basic (one equity share of ₹10 each)	₹ per share	(A/B)	**84.98**	**62.39**

(b) Diluted Earnings Per Share

			31 March 2023	31 March 2023
Profit for the year	₹ in million	A	12,715.87	9,312.72
Weighted average number of equity shares for basic earning per share *	Number	B	149,631,506	149,268,712
Effect of dilution				
Share options	Number	C	468,199	654,432
Weighted average number of equity shares adjusted for effect of dilution	Number	D=(B+C)	150,099,705	149,923,144
Earnings per shares - Diluted (one equity share of ₹10 each)	₹ per share	(A/D)	**84.72**	**62.12**

* Refer note 15(a) for movement of shares.

Note: There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

34. Contingent liabilities and commitments

Accounting Policy

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses it's existence in the Financial Statements.

Capital Commitments includes the amount of purchase orders (net of advances) issued to parties for completion of assets.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(A) Contingent liabilities (to the extent not provided for)

(₹ million)

		31 March 2023	31 March 2022
(i)	Outstanding corporate guarantees given on behalf of subsidiaries and Joint venture's (Refer note 35 (E))	520.00	520.00
(ii)	Taxation matters		
	Disputed liability in respect of sales tax /VAT demand & pending sales tax/VAT forms	0.64	1.86
	Disputed liability in respect of Service tax duty demand	18.17	18.17
	Disputed liability in respect of excise duty demand	8.60	8.60
	Disputed liability in respect of custom duty demand	17.08	17.08
(iii)	Customs Duty on Capital goods imported under Export Promotion Capital Goods Scheme, against which export obligation is to be fulfilled	42.77	46.23
(iv)	Customs Duty on Raw Materials imported under Advance License, against which export obligation is to be fulfilled	183.10	175.02

Notes:

(a) In respect of the items above, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgements/decisions pending at various forums/authority. The Company doesn't expect the outcome of matters stated above to have a material adverse effect on the Company's financial conditions, result of operations or cash flows.

(b) There is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Honourable Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. The Company will evaluate its position and act, as clarity emerges.

(B) Commitments

(₹ million)

	31 March 2023	31 March 2022
Capital commitments		
(Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances))		
Towards property, plant and equipment	4,177.52	2,236.78

Notes: For lease commitments, refer note 4.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

35. Related party disclosure

(A) Enterprises where control exists

		Principal activities	Country of incorporation	Ownership interest (%) 31 March 2023	Ownership interest (%) 31 March 2022
(i)	**Subsidiaries**				
	Tirupati Reels Private Limited (TRPL)	Manufacturers of Wooden Pallets, Outer Laggings and Cable Drums	India	55%	55%
	Dowells Cable Accessories Private Limited (DCAPL)	Manufacture of electrical goods & cable accessories & equipment's	India	60%	60%
	Polycab Electricals & Electronics Private Limited (PEEPL)	Engaged in the business of electrical goods, instruments, appliances and apparatus	India	100%	100%
	Polycab USA LLC (PUL)	Trading business of electrical cables and wires, optical fibre cables and consumer electrical goods	USA	100%	100%
	Ryker Base Private Limited (Ryker) (Ceased to be a Wholly-Owned Subsidiary w.e.f. 18 November 2021)	Manufacturing of Copper Rods on Job work basis	India	-	-
	Polycab Australia Pty Ltd	Trading business of electrical cables and wires, optical fibre cables and consumer electrical goods	Australia	100%	100%
	Polycab Support Force Private Limited (PSFPL)	Manpower services	India	100%	100%
	Uniglobus Electricals and Electronics Private Limited (UEEPL)	Trading and manufacturing of, among others, cables, wires, fast moving electricals and electronics goods	India	100%	100%
	Steel Matrix Private Limited	Manufacturing of steel drums and bobbins for cables and wires	India	75%	75%
	Silvan Innovation Labs Private Limited (*)	Development and maintenance of business and software applications on all popular and mainframe and minicomputer platforms	India	100%	100%
(ii)	**Joint Ventures**				
	Techno Electromech Private Limited (TEPL)	Manufacturing of light emitting diodes, lighting and luminaires, and LED drivers	India	50%	50%

(*) acquired on 18 June 2021

(B) Enterprises owned or significantly influenced by Key Management Personnel

AK Enterprises (A K)

Polycab Social Welfare Foundation (PSWF)

Transigo Fleet LLP

Bootbhavani Fabricators

S.B. Enterprise

Shreeji Traders

T.P. Ostwal & Associates LLP

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(C) Key Management Personnel

(i) Executive Directors

Mr. Inder T. Jaisinghani	Chairman and Managing Director
Mr. Ramesh T. Jaisinghani	Whole-time Director (up to 12 May 2021)
Mr. Ajay T. Jaisinghani	Whole-time Director (up to 12 May 2021)
Mr. Shyam Lal Bajaj	Whole time Director (up to 12 May 2021)
Mr. Rakesh Talati	Whole-time Director (w.e.f. 13 May 2021)
Mr. Bharat A. Jaisinghani	Whole-time Director (w.e.f. 13 May 2021)
Mr. Nikhil R. Jaisinghani	Whole-time Director (w.e.f. 13 May 2021)
Mr. Gandharv Tongia[(a)]	Executive Director and Chief Financial Officer

(ii) Non-Executive Directors

Mr. R.S. Sharma	Independent Director
Mr. T.P. Ostwal	Independent Director
Mr. Pradeep Poddar	Independent Director
Ms. Sutapa Banerjee	Independent Director (w.e.f. 13 May 2021)
Ms. Manju Agarwal	Independent Director (w.e.f. 19 January 2023)
Ms. Hiroo Mirchandani	Independent Director (upto 12 May 2021)

(iii) Key Management Personnel

Ms. Manita Carmen A. Gonsalves	Company Secretary and Head legal

(iv) Relatives of Key Management Personnel

Mr. Kunal I. Jaisinghani	Son of Mr. Inder T. Jaisinghani
Ms. Ritika Nikhil Jaisinghani	Wife of Mr. Nikhil R. Jaisinghani
Ms. Kiara Duhlani	Daughter of Mr. Ajay T. Jaisinghani
Ms. Deepika Sehgal	Daughter of Mr. Ramesh T. Jaisinghani
Ms. Jayshriben Talati	Wife of Mr. Rakesh Talati

(a) Appointed as Executive director w.e.f. 19 January 2023

(D) Transactions with group companies :

(₹ million)

			Year ended 31 March 2023	Year ended 31 March 2022
(i)	**Sale of goods (including GST)**			
	Dowells Cable Accessories Private Limited	Subsidiary	5.05	4.17
	Ryker Base Private Limited	Subsidiary	-	1,167.52
	Techno Electromech Private Limited	Joint Venture	0.02	36.79
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	37.66	2.25
	Polycab Australia PTY Ltd	Subsidiary	744.08	848.82
	Silvan Innovation Labs Private Limited	Subsidiary	2.48	-
(ii)	**Purchase of goods (including GST)**			
	Tirupati Reels Private Limited	Subsidiary	1,183.99	843.19
	Dowells Cable Accessories Private Limited	Subsidiary	1.35	6.07
	Ryker Base Private Limited	Subsidiary	-	906.50
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	104.45	0.10
	Techno Electromech Private Limited	Joint Venture	700.78	951.01

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(₹ million)

			Year ended 31 March 2023	Year ended 31 March 2022
(iii)	**Sub-contracting expense (including GST)**			
	Ryker Base Private Limited	Subsidiary	-	321.53
	Techno Electromech Private Limited	Joint Venture	4.49	23.33
	Polycab Support Force Private Limited	Subsidiary	28.67	-
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	0.77	-
(iv)	**Job work Income (including GST)**			
	Ryker Base Private Limited	Subsidiary	-	4.40
	Dowells Cable Accessories Private Limited	Subsidiary	0.72	
(v)	**Recovery for Employee Stock Options granted**			
	Ryker Base Private Limited	Subsidiary	-	6.68
(vi)	**Reimbursement of Expense**			
	Ryker Base Private Limited	Subsidiary	-	7.53
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	1.39	-
(vii)	**Commission received (including GST)**			
	Tirupati Reels Private Limited	Subsidiary	3.07	3.07
(viii)	**Rent received (including GST)**			
	Dowells Cable Accessories Private Limited	Subsidiary	8.26	8.26
	Ryker Base Private Limited	Subsidiary	-	0.37
	Polycab Support Force Private Limited	Subsidiary	0.02	-
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	2.79	1.07
	Silvan Innovation Labs Private Limited	Subsidiary	2.57	0.67
(ix)	**Interest received**			
	Silvan Innovation Labs Private Limited	Subsidiary	5.86	2.91
	Ryker Base Private Limited	Subsidiary	-	17.09
	Polycab Australia PTY Ltd	Subsidiary	-	0.56
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	1.59	1.56
	Techno Electromech Private Limited	Joint Venture	9.00	13.32
	Polycab Support Force Private Limited	Subsidiary	0.51	-
(x)	**Testing charges paid (including GST)**			
	Techno Electromech Private Limited	Joint Venture	0.15	0.81
(xi)	**Other charges recovered (including GST)**			
	Dowells Cable Accessories Private Limited	Subsidiary	7.33	5.98
	Ryker Base Private Limited	Subsidiary	-	0.52
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	3.50	0.68
	Polycab Support Force Private Limited	Subsidiary	0.40	0.55
	Silvan Innovation Labs Private Limited	Subsidiary	5.78	-
(xii)	**Purchase of Fixed Assets (including GST)**			
	Ryker Base Private Limited	Subsidiary	-	47.23
(xiii)	**Investment made**			
	Dowells Cable Accessories Private Limited	Subsidiary	-	21.77
	Polycab Support Force Private Limited	Subsidiary	-	2.60
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	-	90.00
	Steel Matrix Private Limited	Subsidiary	-	0.75

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(₹ million)

			Year ended 31 March 2023	Year ended 31 March 2022
(xiv)	**Investment made Compulsorily Convertible Debentures**			
	Silvan Innovation Labs Private Limited	Subsidiary	-	78.07
(xv)	**Loans given**			
	Silvan Innovation Labs Private Limited	Subsidiary	6.50	45.50
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	54.65	73.39
	Polycab Support Force Private Limited	Subsidiary	12.50	-
(xvi)	**Loan given repaid**			
	Polycab Support Force Private Limited	Subsidiary	7.50	-
	Ryker Base Private Limited	Subsidiary	-	300.56
	Techno Electromech Private Limited	Joint Venture	-	15.21
	Polycab Australia PTY Ltd	Subsidiary	-	25.07
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	56.61	71.44
(xvii)	**Fair value corporate guarantee**			
	Ryker Base Private Limited	Subsidiary	-	9.94
(xviii)	**Recovery of manpower charges**			
	Dowells Cable Accessories Private Limited	Subsidiary	15.02	2.58
	Tirupati Reels Private Limited	Subsidiary	4.83	1.39
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	3.87	5.47

(E) Outstanding as at the year end :

(₹ million)

			Year ended 31 March 2023	Year ended 31 March 2022
(i)	**Loans given**			
	Silvan Innovation Labs Private Limited	Subsidiary	52.00	45.50
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	-	1.95
	Techno Electromech Private Limited	Joint Venture	100.00	100.00
	Polycab Support Force Private Limited	Subsidiary	5.00	-
(ii)	**Trade Receivables**			
	Tirupati Reels Private Limited	Subsidiary	-	2.01
	Techno Electromech Private Limited	Joint Venture	33.48	33.67
	Polycab Australia PTY Ltd	Subsidiary	482.09	369.00
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	37.19	9.28
(iii)	**Others Receivables**			
	Tirupati Reels Private Limited	Subsidiary	1.20	-
	Techno Electromech Private Limited	Joint Venture	85.19	85.19
	Dowells Cable Accessories Private Limited	Subsidiary	3.74	3.06
	Silvan Innovations Labs Pvt. Ltd.	Subsidiary	4.90	-
	Polycab Support Force Private Limited	Subsidiary	0.02	0.55
(iv)	**Advance given for material and services**			
	Techno Electromech Private Limited	Joint Venture	169.10	-
(v)	**Advance received for material and services**			
	Polycab Australia PTY Ltd	Subsidiary	114.86	-

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(₹ million)

			Year ended 31 March 2023	Year ended 31 March 2022
(vi)	**Interest accrued on loan given**			
	Techno Electromech Private Limited	Joint Venture	2.00	2.91
	Silvan Innovation Labs Private Limited	Subsidiary	4.39	0.72
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	-	0.02
	Polycab Support Force Private Limited	Subsidiary	0.46	-
(vii)	**Trade Payables**			
	Tirupati Reels Private Limited	Subsidiary	28.95	51.60
	Dowells Cable Accessories Private Limited	Subsidiary	-	0.02
	Polycab Support Force Private Limited	Subsidiary	5.26	-
	Uniglobus Electricals and Electronics Private Limited	Subsidiary	16.91	0.10
	Techno Electromech Private Limited	Joint Venture	34.92	50.59

Note:

Company had provided a guarantee for credit facility availed by the Tirupati Reels Private Limited, amounting to ₹ 520.00 million (31 March 2022: ₹ 520.00 million).

(F) Transactions with KMP:

(i) Remuneration paid for the year ended and outstanding as on: [(a)]

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
CMD and Whole-time director				
Salaries, wages, bonus, commission and other benefits	292.13	182.55	203.81	103.10
Contribution to PF, Family Pension and ESI	1.06	-	0.77	-
ESOP Expenses	1.84	-	3.06	-
Independent director				
Director sitting fees	4.42	-	9.36	-
Commission	10.63	10.63	6.00	9.00
Key management personnel (excluding CMD and WTD)				
Salaries, wages, bonus, commission and other benefits	30.54	6.05	26.03	5.00
Contribution to PF, Family Pension and ESI	0.04	-	0.04	-
ESOP Expenses	1.23	-	2.76	-
Remuneration to other related parties				
Salaries, wages, bonus, commission and other benefits	2.04	0.01	4.73	0.51
Contribution to PF, Family Pension and ESI	0.07	-	0.02	-

(a) As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the directors and KMP are not included above.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(ii) Sale of fixed assets to KMP (Including GST)

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Mr. Inder T. Jaisinghani	-	-	2.63	-
Mr. Ajay T. Jaisinghani	-	-	3.18	-
Mr. Bharat A. Jaisinghani	-	-	1.14	-
Mr. Girdhari T. Jaisinghani	-	-	2.23	-
Mrs. Ritika Nikhil Jaisinghani	-	-	4.08	-

(iii) Transactions with enterprises owned or significantly influenced by key managerial personnel

(₹ million)

	Nature of transaction	31 March 2023		31 March 2022	
		For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Polycab Social Welfare Foundation	Donation	224.79	-	191.89	-
Transigo Fleet LLP	Professional fees	19.12	4.37	16.91	1.46
AK Enterprises	Reimbursement of Electricity Expense	1.42	-	1.34	-
AK Enterprises*	Rent paid (including GST)	29.17	-	29.17	2.33
Bootbhavani Fabricators	Purchase of goods (including GST)	0.14	-	-	-
Bootbhavani Fabricators	Purchase of Plant and equipments	89.39	-	-	-
S.B. Enterprise	Purchase of goods (including GST)	5.26	-	-	-
S.B. Enterprise	Purchase of Plant and equipments	22.50	-	-	-
Shreeji Traders	Purchase of goods (including GST)	-	-	0.02	-
T.P. Ostwal & Associates LLP	Professional fees (excluding GST)	-	-	0.16	-

*Security deposit given to AK Enterprises amounting to ₹6.17 million (31 March 2022 : ₹6.17 million).

(G) Transactions with relatives of KMP:

Rent paid for the period ended and outstanding as at:

(₹ million)

	31 March 2023		31 March 2022	
	For the year ended	Outstanding as at the year end	For the year ended	Outstanding as at the year end
Mrs. Jayshriben Talati	0.59	-	0.49	-

(H) Terms and conditions of transactions with related parties:

i. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement.

ii. Guarantees are issued by the Company in accordance with Section 186 of the Companies Act, 2013 read with rules issued thereunder.

iii. For the year ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

36 Segment reporting

Accounting Policy

Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. The Company's chief operating decision maker is the Chairman & Managing Director.

The Board of Directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment based on an analysis of various performance indicators by business segments and geographic segments.

Segment revenue and expenses:

1 It has been identified to a segment on the basis of relationship to operating activities of the segment.

2 The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

3 Intersegment revenue and profit is eliminated at group level consolidation.

4 Finance income earned and finance expense incurred are not allocated to individual segment and the same has been reflected at the Company level for segment reporting as the underlying instruments are managed at Company level.

Segment assets and liabilities:

Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

The accounting policies of the reportable segments are same as that of Group's accounting policies described.

No operating segments have been aggregated to form the above reportable operating segments. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

The Company is organised into business units based on its products and services and has three reportable segments as follows:

Wires and Cables: Manufacture and sale of wires and cables.

Fast moving electrical goods (FMEG): Fans, LED lighting and luminaires, switches, switchgears, solar products, water heaters, conduits, pumps and domestic appliances.

Others: It comprise of EPC business which includes design, engineering, supply of materials, survey, execution and commissioning of power distribution, rural electrification projects on a turnkey basis.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

(A) The following summary describes the operations in each of the Company's reportable segments:

(₹ million)

	31 March 2023					31 March 2022				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
External sales	123,987.45	11,879.75	3,638.33	-	139,505.53	107,003.75	12,484.03	1,898.08	-	121,385.86
Inter segment revenue	1,559.04	-	-	(1,559.04)	-	105.70	-	-	(105.70)	-
Total Income	**125,546.49**	**11,879.75**	**3,638.33**	**(1,559.04)**	**139,505.53**	**107,109.45**	**12,484.03**	**1,898.08**	**(105.70)**	**121,385.86**
Segment Results										
External	16,052.88	2.68	421.01	-	16,476.57	10,273.04	242.86	325.14	-	10,841.04
Inter segment results	202.72	-	-	(202.72)	-	10.19	-	-	(10.19)	-
Segment/Operating results	**16,255.60**	**2.68**	**421.01**	**(202.72)**	**16,476.57**	**10,283.23**	**242.86**	**325.14**	**(10.19)**	**10,841.04**
Un-allocated items:										
Finance income					971.00					498.26
Finance costs					560.64					334.20
Exceptional items					-					1,243.25
Profit before tax					**16,886.93**					**12,248.35**
Tax expenses										
Current tax					4,019.27					3,037.67
Deferred tax charge/ (credit)					151.79					(102.04)
Profit for the year					**12,715.87**					**9,312.72**
Depreciation & amortisation expenses	1,834.54	185.03	4.32	-	2,023.89	1,773.77	187.95	3.86	-	1,965.58
Non-cash expenses/ (Income) other than depreciation	20.87	39.16	(8.34)	-	51.69	49.55	65.15	4.81	-	119.51
Total cost incurred during the year to acquire segment assets (net of disposal)	3,157.11	1,312.74	0.58	-	4,470.42	3,948.44	1,040.43	-	-	4,988.87

(B) Revenue by Geography

The amount of its revenue from external customers analysed by the country, in which customers are located, are given below:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Within India	125,548.30	112,107.01
Outside India	13,957.23	9,278.85
	139,505.53	**121,385.86**

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for the year ended 31 March 2023

(C) Segment assets

(₹ million)

	31 March 2023					31 March 2022				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Segment assets	57,414.91	6,891.32	3,582.55	-	67,888.78	49,288.73	7,543.93	2,579.07	-	59,411.73
Unallocated assets:										
Investments (Non-current and Current)					13,996.44					8,132.00
Income Tax assets (net)					147.33					369.94
Cash and cash equivalents and bank balance other than cash and cash equivalents					6,457.57					4,025.04
Loans					160.47					174.11
Other unallocable assets					3,699.83					960.14
Total assets					**92,350.42**					**73,072.96**

(D) Segment liabilities

(₹ million)

	31 March 2023					31 March 2022				
	Wires & Cables	FMEG	Others	Eliminations	Total	Wires & Cables	FMEG	Others	Eliminations	Total
Segment liabilities	18,528.78	2,056.03	2,237.15	-	22,821.96	10,323.95	2,655.57	2,221.90	-	15,201.42
Unallocated liabilities:										
Borrowings (Non-Current and Current, including Current Maturity)					821.25					765.42
Current tax liabilities (net)					346.04					153.11
Deferred tax liabilities (net)					401.02					240.60
Other unallocable liabilities					1,868.82					1,503.41
Total liabilities					**26,259.09**					**17,863.96**

(E) Non-current assets by Geography

The total of non-current assets excluding financial assets and deferred tax assets analysed by the country in which assets are located are given below:

(₹ million)

	Year ended 31 March 2023	Year ended 31 March 2022
Within India	23,833.57	20,957.62
Outside India	-	-
	23,833.57	**20,957.62**

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for the year ended 31 March 2023

37. Financial Instruments and Fair Value Measurement

A) Financial Instruments

Accounting policy

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

(i) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit & Loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

(ii) **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit & Loss (i.e. fair value through Statement of Profit & Loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(a) Financial assets carried at amortised cost

A financial assets that meets the following two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Statement of Profit & Loss under the fair value option.

(i) **Business Model test:** The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

(ii) **Cash flow characteristics test:** The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value

(i) Financial assets at fair value through other comprehensive income

Financial assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Notes to Standalone Financial Statements
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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

(ii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through Statement of Profit & Loss.

(iii) **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

The Company discloses analysis of the gain or loss recognised in the statement of profit and loss arising from the derecognition of financial assets measured at amortised cost, showing separately gains and losses arising from derecognition of those financial assets.

(iv) **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model for the following:

(a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

(b) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company recognises an allowance for ECL for all debt instruments not held at fair value through profit or loss. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses the provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historical observed default rates over the expected life of the trade receivables and its adjusted forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) during the period is recognised as other expense in the Statement of Profit & Loss.

Financial liabilities

(v) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, lease liabilities and derivative financial instruments.

(vi) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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(b) Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

(c) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

(vii) Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss.

(viii) Derecognition

(a) A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

B) Fair value measurements

Accounting policy

The Company measures financial instruments, such as, derivatives, mutual funds etc. at fair value at each Balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, to provide an indication about the reliability of inputs used in determining fair value, the Company has classified its financial statements into three levels prescribed under the Ind AS as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the assets or liability and the level of fair value hierarchy as explained above.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(₹ million)

	Carrying value		Fair value	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial assets				
Measured at amortised cost				
Trade receivables	12,730.22	13,724.27	12,730.22	13,724.27
Cash and cash equivalents	1,218.57	1,138.27	1,218.57	1,138.27
Bank balance other than cash and cash equivalents	5,239.00	2,766.97	5,239.00	2,766.97
Loans	160.47	174.11	160.47	174.11
Other financial assets	345.63	332.26	345.63	332.26
Measured at fair value through profit or loss account (FVTPL)				
Investment in mutual funds	13,504.95	7,640.51	13,504.95	7,640.51
Derivative assets	7.86	238.74	7.86	238.74
	33,206.70	**26,015.13**	**33,206.70**	**26,015.13**
Financial liabilities				
Measured at amortised cost				
Borrowings	821.25	765.42	821.25	765.42
Trade payables	19,957.50	11,793.55	19,957.50	11,793.55
Creditors for capital expenditure	563.69	466.96	563.69	466.96
Lease liabilities	358.45	343.26	361.77	350.58
Other financial liabilities	134.49	50.40	134.49	50.40
Measured at fair value through profit or loss account (FVTPL)				
Derivative liabilities	129.32	138.42	129.32	138.42
	21,964.70	**13,558.01**	**21,968.02**	**13,565.33**

(a) Interest rate swaps, foreign exchange forward contracts and embedded commodity derivative are valued using valuation techniques, which employ the use of market observable inputs(closing rates of foreign currency and commodities).

(b) Embedded foreign currency and commodity derivatives are measured similarly to the foreign currency forward contracts and commodity derivatives. The embedded derivatives are commodity and foreign currency forward contracts which are separated from purchase contracts.

(c) The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, loans to related party, loans to employees, short term security deposit, lease liabilities and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(d) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(e) The fair values of the mutual funds are based on NAV at the reporting date.

(f) The fair value of interest rate swaps are based on MTM bank rates as on reporting date.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(g) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2023:

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2023	13,504.95	13,504.95	-	-
Derivative assets					
Forward contract	31 March 2023	7.86	-	7.86	-
Liabilities measured at fair value:					
Derivative liabilities					
Embedded derivatives	31 March 2023	26.18	-	26.18	-
Commodity contracts	31 March 2023	76.17	-	76.17	-
Foreign exchange forward contract	31 March 2023	26.97	-	26.97	-

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2022:

(₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Units of mutual funds	31 March 2022	7,640.51	7,640.51	-	-
Derivative assets					
Embedded derivatives	31 March 2022	196.27	-	196.27	-
Forward contract	31 March 2022	42.47	-	42.47	-
Liabilities measured at fair value:					
Derivative liabilities					
Commodity contracts	31 March 2022	138.42	-	138.42	-

There is no transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Timing of transfer between the levels determined based on the following:

(a) the date of the event or change in circumstances that caused the transfer

(b) the beginning of the reporting period

(c) the end of the reporting period

Notes to Standalone Financial Statements
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Description of significant unobservable inputs to valuation:

There are no significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy as at 31 March 2023 (31 March 2022: None)

38. Financial Risk Management Objectives And Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Company has formed a Risk Management Committee to periodically review the risk management policy of the Company so that the management manages the risk through properly defined mechanism. The Risk Management Committee's focus is to foresee the unpredictability and minimise potential adverse effects on the Company's financial performance.

The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

(A) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is also exposed to the risk of changes in market interest rates relates due to its investments in mutual fund units in overnight funds.

The Company manages its interest rate risk by having fixed and variable rate loans and borrowings. The Company enters into interest rate swaps for long term foreign currency borrowings, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2023, after taking into account the effect of interest rate swaps, none of the Company's borrowings at the year end are at a fixed rate of interest (31 March 2022: None). Total borrowings as on 31 March 2023 are ₹821.25 million (31 March 2022 ₹765.42 million).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ million)

	Exposure to interest rate risk (Principal amount of loan)	Increase/ decrease in basis points	Effect on profit before tax
31 March 2023	821.25		
Increase		+100	(8.21)
Decrease		-100	8.21
31 March 2022	765.42		
Increase		+100	(7.65)
Decrease		-100	7.65

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(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's borrowings in foreign currency.

Derivative financial instruments

The Company enters into derivative contracts with an intention to hedge its foreign exchange price risk and interest risk. Derivative contracts which are linked to the underlying transactions are recognised in accordance with the contract terms. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit & Loss. To some extent the Company manages its foreign currency risk by hedging transactions.

Particulars of unhedged foreign currency exposures as at the reporting date:

(₹ million)

Currency	Currency Symbol	31 March 2023		31 March 2022	
		Foreign currency	Indian Rupees	Foreign currency	Indian Rupees
United States Dollar	USD	(74.60)	(6,133.18)	(59.15)	(4,483.64)
EURO	Euro	15.19	1,361.18	2.20	185.85
Pound	GBP	2.85	290.24	0.53	53.08
Swiss Franc	CHF	0.03	2.40	0.29	24.12
Ruble	RUB	(7.38)	(7.83)	-	-
Chinese Yuan	CNY	0.09	1.10	-	-
Japanese yen	JPY	-	-	(0.32)	(0.20)
Australian Dollar	AUD	7.16	394.06	6.13	346.52

Figures shown in brackets represent payables.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, Euro, GBP, CHF, RUB, JPY and AUD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. Sensitivity due to unhedged Foreign Exchange Exposures is as follows:

Impact on profit before tax and equity

(₹ million)

Currency	Currency Symbol	31 March 2023		31 March 2022	
		+2%	-2%	+2%	-2%
United States Dollar	USD	(122.66)	122.66	(89.67)	89.67
EURO	Euro	27.22	(27.22)	3.72	(3.72)
Pound	GBP	5.80	(5.80)	1.06	(1.06)
Swiss Franc	CHF	0.05	(0.05)	0.48	(0.48)
Ruble	RUB	(0.16)	0.16	-	-
Chinese Yuan	CNY	0.02	(0.02)	-	-
Japanese yen	JPY	-	-	(0.00)	0.00
Australian Dollar	AUD	7.88	(7.88)	6.93	(6.93)

Figures shown in brackets represent payables.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(iii) Commodity price risk

The Company's exposure to price risk of copper and aluminium arises from :

- Trade payables of the Company where the prices are linked to LME prices. Payment is therefore sensitive to changes in copper and aluminium prices quoted on LME. The provisional pricing feature (Embedded Derivatives) is classified in the balance sheet as fair value through profit or loss. The option to fix prices at future LME prices works as a natural hedge against the movement in value of inventory of copper and aluminium held by the Company. The Company also takes Sell LME positions to hedge the price risk on Inventory due to ongoing movement in rates quoted on LME. The Company applies fair value hedge to protect its copper and aluminium Inventory from the ongoing movement in rates.
- Purchases of copper and aluminium results in exposure to price risk due to ongoing movement in rates quoted on LME affecting the profitability and financial position of the Company. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. There are no outstanding buy future contracts link to LME as of 31 March 2023 and 31 March 2022.

Sensitivity analysis for unhedged exposure for the year ended 31 March are as follows:

Exposure of Company in Inventory

(₹ million)

Metal	Hedge instruments	31 March 2023				31 March 2022			
		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax		Exposure in Metric Tonne	Exposure in ₹ million	Impact in Profit before tax	
				+2%	-2%			+2%	-2%
Copper	Embedded derivative	5,400	3,992.49	(79.85)	79.85	2,870	2,257.50	45.15	(45.15)
Aluminium	Embedded derivative	-	-	-	-	84	23.76	0.48	(0.48)

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company has applied Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Company's historical data of delay in collection of amounts due from customers and default by the customers along with management's estimates.

The Company has sold without recourse trade receivables under channel finance arrangement for providing credit to its dealers. Evaluation is made as per the terms of the contract i.e. if the Company does not retain any risk and rewards or control over the financial assets, then the entity derecognises such assets upon transfer of financial assets under such arrangement with the banks. Derecognition does not result in significant gain / loss to the Company in the Statement of profit and loss.

In certain cases, the Company has sold with recourse trade receivables to banks for cash proceeds. These trade receivables have not been derecognised from the statement of financial position, because the Company retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a financial liability (Refer note 17(B)). The arrangement with the bank is such that the customers remit cash directly to the bank and the bank releases the limit of facility used by the Company. The receivables are considered to be held within a held-to-collect business model consistent with the Company's continuing recognition of the receivables.

Notes to Standalone Financial Statements
for the year ended 31 March 2023

Before evaluating whether, and to what extent, derecognition is appropriate, the Company determines whether these arrangements should be applied to a part of a financial asset (or a part of a Company of similar financial assets) or a financial asset (or a Company of similar financial assets) in its entirety.

The derecognition criteria are applied to a part of a financial asset (or a part of a Company of similar financial assets) if, and only if, the part being considered for derecognition meets one of the following three conditions.

(i) The part comprises only specifically identified cash flows from a financial asset (or a Company of similar financial assets).

(ii) The part comprises only a fully proportionate (pro rata) share of the cash flows from a financial asset (or a Company of similar financial assets).

(iii) The part comprises only a fully proportionate (pro rata) share of specifically identified cash flows from a financial asset (or a Company of similar financial assets).

In all other cases, the derecognition criteria are applied to the financial asset in its entirety (or to the Company of similar financial assets in their entirety).

The carrying amount of trade receivables at the reporting date that have been transferred but have not been derecognised and the associated liabilities is ₹821.25 million (31 March 2023: ₹765.42 million).

Trade receivables (net of expected credit loss allowance) of ₹12,204.17 million as at 31 March 2023 (31 March 2022: ₹12,925.37 million) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of delayed payments, increased credit risk and consequential default considering emerging situations while arriving at the carrying value of these assets. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers. The Company has specifically evaluated the potential impact with respect to customers for all of its segments.

The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on non-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The collections pattern from the customers in the current period does not indicate stress beyond what has been factored while computing the allowance for expected credit losses.

The expected credit loss allowance for trade receivables of ₹1,159.38 million as at 31 March 2023 (31 March 2022 ₹1,243.76 million) is considered adequate.

The same assessment is done in respect of contract assets of ₹141.19 million as at 31 March 2023 (31 March 2022 ₹106.91 million) while arriving at the level of provision that is required. The expected credit loss allowance for contract assets of ₹5.65 million as at 31 March 2023 (31 March 2022 ₹11.82 million) is considered adequate.

Other financial assets

The Company has adopted a policy of only dealing with counterparties that have sufficient credit rating. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(C) Liquidity risk

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements.

Further, the Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets (including mutual funds) which provide flexibility to liquidate at short notice and are included in current investments and cash equivalents. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required, which are reviewed periodically.

The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required (Refer note 17).

Corporate guarantees given on behalf of group companies might affect the liquidity of the Company if they are payable. However, the Company has adequate liquidity to cover the risk (Refer note 34(A)).

Maturity analysis

The table below summarises the maturity profile of the Company's financial assets and financial liabilities based on contractual undiscounted payments.

(₹ million)

	31 March 2023			31 March 2022		
	< 1 year	> equal to 1 year	Total	< 1 year	> equal to 1 year	Total
Financial assets:						
Investments	13,504.95	-	13,504.95	7,640.51	-	7,640.51
Trade receivables	12,204.17	526.05	12,730.22	12,925.37	798.90	13,724.27
Cash & cash equivalents	1,218.57	-	1,218.57	1,138.27	-	1,138.27
Bank balance other than cash & cash equivalents	5,239.00	-	5,239.00	2,766.97	-	2,766.97
Loans	160.47	-	160.47	174.11	-	174.11
Other financial assets	302.70	53.21	355.91	412.23	158.77	571.00
	32,629.86	**579.26**	**33,209.12**	**25,057.46**	**957.67**	**26,015.13**
Financial liabilities:						
Borrowings	821.25	-	821.25	765.42	-	765.42
Lease liability	160.28	253.72	414.00	146.59	297.87	444.46
Other financial liabilities	827.50	-	827.50	655.78	-	655.78
Trade payables	19,957.50	-	19,957.50	11,793.55	-	11,793.55
	21,766.53	**253.72**	**22,020.25**	**13,361.34**	**297.87**	**13,659.21**

Notes to Standalone Financial Statements

for the year ended 31 March 2023

39. Hedging activity and derivatives

The company uses the following hedging types:

(i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

(ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

(A) Fair value hedge of copper and aluminium price risk in inventory

(i) The Company enters into contracts to purchase copper and aluminium wherein the Company has the option to fix the purchase price based on LME price of copper and aluminium during a stipulated time period. Accordingly, these contracts are considered to have an embedded derivative that is required to be separated. Such feature is kept to hedge against exposure in the value of unpriced inventory of copper and aluminium due to volatility in copper and aluminium prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the copper and aluminium inventory as the hedged risk. The carrying value of inventory is accordingly adjusted for the effective portion of change in fair value of hedging instrument. Hedge accounting is discontinued when the hedging instrument is settled, or when it is no longer qualifies for hedge accounting or when the hedged item is sold.

(ii) To use the Sell future contracts linked with LME to hedge the fair value risk associated with inventory of copper and aluminium. Once the purchases are concluded and its final price is determined, the Company starts getting exposed to price risk of these inventory till the time it is not been sold. The Company's policy is to designate the copper and aluminium inventory which are already priced and which is not been sold at that point in time in a hedging relationship against Sell LME future positions based on the risk management strategy of the Company. The hedged risk is movement in spot rates.

To test the hedge effectiveness between embedded derivatives/derivatives and LME prices of Copper and Aluminium, the Company uses the said prices during a stipulated time period and compares the fair value of embedded derivatives/derivatives against the changes in fair value of LME price of copper and aluminium attributable to the hedged risk.

The Company establishes a hedge ratio of 1:1 for the hedging relationships as the underlying embedded derivative/derivative is identical to the LME price of Copper and Aluminium.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item:

Changes in fair value of unpriced inventory attributable to change in copper and aluminium prices.

Hedging instrument:

Changes in fair value of the embedded derivative of copper and aluminium trade payables and sell future contracts, as described above.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(B) Cash flow hedge associated with highly probable forecasted purchases of copper and aluminium:

The Company has purchases of copper and aluminium which results in exposure to price risk due to ongoing movement in rates quoted on LME which affects the profitability and financial position of the Company. The risk management strategy is to use the Buy future contracts linked to LME to hedge the variation in cash flows of highly probable future purchases. The Company's policy is to designate the monthly copper and aluminium purchases as a highly probable forecasted transaction in a hedging relationship based on the risk management strategy of the Company.

As at 31 March 2023

(₹ million)

	Commodity price risk	Carrying amount			Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge -Gain/ (loss)	Ineffective portion of Hedge -Gain/ (loss)
		Asset- increase/ (decrease)	Liabilities- increase/ (decrease)	Equity- increase/ (decrease)					
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	76.85	-	-		1:1	Inventory		
	Highly probable future purchases	-	-	-		1:1	Cash flow hedge Reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	26.18	-	Range within 1 to 6 months	1:1	Trade payables	(76.85)	25.92
	Buy Derivative Position	-	-	-		1:1	Current financial liabilities		
	Sell Derivative Position	-	76.17	-		1:1	Current financial liabilities		

The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of profit and Loss

(₹ million)

	As at 31 March 2023			
	Cash Flow hedge release to P&L			
	Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk				
Sell Future Contracts- Copper	(59.71)	-	-	(59.71)
Sell Future Contracts- Aluminium	0.01	-	-	0.01

Notes to Standalone Financial Statements

for the year ended 31 March 2023

As at 31 March 2022

(₹ million)

	Commodity price risk	Carrying amount			Maturity date	Hedge Ratio	Balance sheet classification	Effective portion of Hedge -Gain/ (loss)	Ineffective portion of Hedge -Gain/ (loss)
		Asset- increase/ (decrease)	Liabilities- increase/ (decrease)	Equity- increase/ (decrease)					
Fair Value Hedge									
Hedged item	Inventory of Copper and aluminium	(154.19)	-	-		1:1	Inventory		
	Highly probable future purchases	-	-	0.58		1:1	Cash flow hedge Reserve		
Hedging instrument	Embedded derivative in trade payables of Copper and aluminium	-	(196.27)	-	Range within 1 to 6 months	1:1	Current financial liabilities	154.19	(96.92)
	Buy Derivative Position	-	(0.58)	-		1:1	Current financial liabilities		
	Sell Derivative Position	-	139.00	-		1:1	Current financial liabilities		

The following table presents details of amounts held in effective portion of Cash Flow Hedge and the period during which these are going to be released and affecting Statement of Profit and Loss

	As at 31st March 2022			
	Cash Flow hedge release to P&L			
	Less than 3 Months	3 Months to 6 Months	6 Months to 12 Months	Total
Commodity Price risk				
Buy Future Contracts- Copper	(139.31)	-	-	(139.31)
Buy Future Contracts- Aluminium	0.58	-	-	0.58
Sell Future Contracts- Aluminium	0.31	-	-	0.31

The Board of Directors has constituted a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan of the Company which inter-alia covers risks arising out of exposure to foreign currency fluctuations. Under the guidance and framework provided by the RMC, the Company uses various derivative instruments such as foreign exchange forward, currency options and futures contracts in which the counter party is generally a bank. For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value.

The Company has entered into derivative instruments by way of foreign exchange forward contracts, which are, as per the requirements of Ind AS 109, measured at fair value through profit and loss account. The notional amount of outstanding contracts and loss/(gain) on fair valuation of such contracts are given below:

(₹ million)

	31 March 2023	31 March 2022
Foreign exchange forward contracts- Buy	4,498.70	3,807.07
Foreign exchange forward contracts- Sale	(1,576.27)	(6,121.16)
	2,922.43	**(2,314.09)**
Fair valuation loss/ (gain) on foreign exchange forward contracts	11.25	(42.47)

Notes to Standalone Financial Statements

for the year ended 31 March 2023

40. Financial performance ratios:

		Numerator	Denominator	31 March 2023	31 March 2022	Variance
A	**Performance Ratios**					
	Net Profit ratio	Profit after tax	Revenue from operations	9.14%	7.70%	1.4%
	Net Capital turnover ratio	Revenue from operations	Working capital	3.28	3.59	-8.5%
	Return on Capital employed	Profit before interest and tax	Capital employed	25.92%	22.38%	3.5%
	Return on Equity Ratio	Profit after tax	Average shareholder's equity	20.97%	18.21%	2.8%
	Return on investment (i)	Closing less opening market price	Opening market price	21.81%	70.66%	-48.9%
	Debt Service Coverage ratio	Earnings available for debt services	Debt Service	25.54	23.89	6.9%
B	**Leverage Ratios**					
	Debt-Equity Ratio	Total Debt	Shareholder's equity	0.01	0.01	-10.4%
C	**Liquidity Ratios**					
	Current Ratio	Current Assets	Current Liabilities	2.70	2.99	-10.0%
D	**Activity Ratio**					
	Inventory turnover ratio	Cost of goods sold	Average inventory	4.15	4.60	-9.8%
	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	11.07	8.88	24.6%
	Trade Payables turnover ratio	Net credit purchases	Average trade payable	6.88	7.66	-10.2%

Note: Explanation for change in ratio by more than 25%

(i) Return on investment movement is in line with fair market value of investments.

41. Struck off Company:

The Company does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

42. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary objective is to maximise the shareholders value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and external borrowings.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, lease liabilities and other payables, less cash and cash equivalents and current investments.

Notes to Standalone Financial Statements

for the year ended 31 March 2023

(₹ million)

	31 March 2023	31 March 2022
Borrowings (Refer note 17)	821.25	765.42
Other payables (Refer note 20)	827.50	655.78
Lease liabilities (Refer note 18)	358.45	343.26
Less: Cash and cash equivalents (Refer note 8)	(1,218.57)	(1,138.27)
Less: Current investments (Refer note 6B)	(13,504.95)	(7,640.51)
Net debt	**(12,716.32)**	**(7,014.32)**
Equity (Refer note 15 and 16)	66,091.33	55,209.00
Total capital	**66,091.33**	**55,209.00**
Capital and net debt	53,375.01	48,194.68
Gearing ratio	**-23.82%**	**-14.55%**

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023 and year ended 31 March 2022.

43. Environmental, Social and Governance (ESG)

As a socially and environmentally responsible business, committed to the highest standards of corporate governance, the Company is focused on growing sustainably to build long-term stakeholder value by embracing sustainable development. The Company aims to deliver value to its employees, customers, suppliers, partners, shareholders and society as a whole. In this regard, the Company has developed a robust ESG framework that will align it to the best global standards and serve as a guide for the implementation of sustainable business practices.

44. The Board of Directors of the Company at their meeting held on 18 October 2022 had approved the Scheme of Amalgamation between the Company and Silvan Innovation Laboratories Private Limited, a wholly owned subsidiary of the Company on a going concern basis. The Appointed date of the Scheme is 1 April 2022 or such other date as may be approved by NCLT or any other appropriate authority. The Scheme will be given effect on receipt of requisite regulatory approvals and consent from shareholders and filing of such approvals with the ROC.

45. Events after the reporting period

No significant adjusting event occurred between the balance sheet date and date of the approval of these standalone financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

46. Others

Figures representing ₹0.00 million are below ₹5,000.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: 12 May 2023

For and on behalf of the Board of Directors of
Polycab India Limited
CIN: L31300GJ1996PLC114183

Inder T. Jaisinghani
Chairman & Managing Director
DIN: 00309108

Nikhil R. Jaisinghani
Whole-time Director
DIN: 00742771

Bharat A. Jaisinghani
Whole-time Director
DIN: 00742995

Gandharv Tongia
Executive Director & CFO
DIN: 09038711

Place: Mumbai
Date: 12 May 2023

Manita Gonsalves
Company Secretary
Membership No. A18321

Notice

27th Annual General Meeting

Notice is hereby given that the 27th Annual General Meeting of the members of Polycab India Limited will be held on Friday, 30 June 2023 at 09.00 A.M. through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended 31 March 2023, together with the reports of the Board of Directors and Auditors thereon and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2023, along with the reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby received, considered and adopted."

2. Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31 March 2023, together with the report of the Auditors thereon and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2023, along with the reports of Auditors thereon, as circulated to the members be and are hereby received, considered and adopted."

3. Declaration of Dividend

To declare a Dividend of ₹20/- per equity share of face value of ₹10/- each for the financial year ended 31 March 2023 and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a Dividend of ₹20/- (Rupees Twenty only) per equity share on fully paid-up equity shares of face value of ₹10/- (Rupees Ten only) each, as recommended by the Board of Directors of the Company, be and is hereby declared for payment for the financial year ended 31 March 2023, and the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as at the close of business hours on Wednesday, 21 June 2023."

4. Appointment of Mr. Bharat A. Jaisinghani (DIN: 00742995) as Director liable to retire by rotation

To appoint a Director in place of Mr. Bharat A. Jaisinghani (DIN: 00742995), Executive Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Bharat A. Jaisinghani (DIN: 00742995), Executive Director of the Company, who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

5. Ratification of remuneration payable to the Cost Auditors for the financial year ending 31 March 2024

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the members of the Company hereby ratify the remuneration of ₹1,200,000/- (Rupees Twelve Lakhs only) plus applicable taxes and out of pocket expenses at actuals, if any, payable to R. Nanabhoy & Co., Cost Accountants (Firm Registration No.: 000010) who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the Audit of the Cost Records maintained by the Company as prescribed under the Companies (Cost Record and Audit) Rules, 2014, as amended, for the financial year ending 31 March 2024."

6. Re-appointment of Mr. T. P. Ostwal (DIN: 00821268) for a second term as an Independent Director of the Company

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Mr. T. P. Ostwal (DIN: 00821268), who was appointed as an Independent Director of the Company and holds office up to 19 September 2023, being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company for a second term of 5 (Five) consecutive years commencing from 20 September 2023 up to 19 September 2028 (both days inclusive) and shall not be liable to retire by rotation, upon such remuneration as detailed in the explanatory statement hereto and as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Act.

RESOLVED FURTHER THAT any of the Executive Directors and / or the Company Secretary of the Company be and is hereby severally authorised to do all acts, deeds, and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

7. Re-appointment of Mr. R. S. Sharma (DIN: 00013208) for a second term as an Independent Director of the Company:

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations')(including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), Mr. R. S. Sharma (DIN: 00013208), who was appointed as an Independent Director of the Company and holds office upto 19 September 2023, being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company for a second term of 2 (Two) consecutive years commencing from 20 September 2023 up to 19 September 2025 (both days inclusive) and shall not be liable to retire by rotation, upon such remuneration as detailed in the explanatory statement hereto and as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Act.

RESOLVED FURTHER THAT any of the Executive Directors and / or the Company Secretary of the Company be and is hereby severally authorised to do all acts, deeds, and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

8. Appointment of Mr. Bhaskar Sharma (DIN:02871367) for a first term as an Independent Director of the Company:

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with, the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Bhaskar Sharma (DIN: 02871367), who was appointed as an Additional (Non-Executive Independent) Director of the Company with effect from 12 May 2023, and who holds office upto the date of this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of a Director, be and is hereby appointed as a Non-Executive Independent Director of the Company, to hold office for a first term of 3 (Three) consecutive years with effect from 12 May 2023 to 11 May 2026 (both days inclusive) and shall not be liable to retire by rotation upon such remuneration as detailed in the explanatory statement hereto and as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Act.

RESOLVED FURTHER THAT any of the Executive Directors and / or the Company Secretary of the Company be and is hereby severally authorised to do all acts, deeds, and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

By Order of the Board of Directors
of **Polycab India Limited**

Manita Carmen A. Gonsalves
Company Secretary & Head Legal
M. No.: A18321

Place: Mumbai
Date: 12 May 2023

Registered Office: Unit 4, Plot No. 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat – 389 350
Phone No.: +91 2676227600/227700
Website: www.polycab.com

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Ordinary and Special Business under Item No. 1 to 8 be transacted at the Annual General Meeting ('AGM') is annexed hereto.

2. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Director seeking appointment and re-appointment(s) at the AGM is attached as **Annexure I** forming part of this Notice.

3. **BOOK CLOSURE:** Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the Listing Regulations, the Register of Members and Transfer Books of the Company will be closed from Thursday, 22 June 2023, to Sunday, 25 June 2023, (both days inclusive) for the purpose of Dividend and AGM.

4. Pursuant to the Circular No. 14/2020 dated 08 April 2020, Circular No.02/2021 dated 13 January 2021, Circular No. 20/2021 dated 12 December 2021, Circular No. 21/2021 dated 14 December 2021, Circular No. 2/2022 dated 5 May 2022, General Circular No. 10/2022 and General Circular No. 11/2022 dated 28 December 2022 issued by the Ministry of Corporate Affairs, physical attendance of the members to the AGM venue is not required and AGM may be held through Video Conferencing ('VC') or other Audio Visual Means ('OAVM'). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

5. Pursuant to the Circular No. 14/2020 dated 08 April 2020, read with Circular No. 20/2021 dated 12 December 2021, and Circular No. 21/2021 dated 14 December 2021 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Institutional / Corporate Members are required to send a scanned copy (pdf/jpg format) of its Board or governing body resolution / Authorisation letter etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution / authorisation shall be sent to the scrutinizer by e-mail through its registered e-mail address bn@bnpassociates.in

7. The Notice of AGM and Annual Report are being sent in electronic mode to members whose e-mail address is registered with the depository participant(s). Physical copy of the Notice of AGM and Annual Report are being sent to those members who have not registered their e-mail address with the Company or Depository Participant(s). members who have not registered their e-mail address are requested to register the same with their respective depository participant(s). In case of any assistance, the members are requested to write an email to KFin at einward.ris@kfintech.com.

8. **Dividend:** The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax at source, as may be applicable, on or before Friday, 28 July 2023 to those persons or their mandates:

   a) whose names appear as Beneficial Owners as at the end of the business hours on Wednesday, 21 June 2023 (Record Date) in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

   b) In physical mode, if their name appears in the Company's Register of Members as on Wednesday, 21 June 2023.

TDS on Dividend: In accordance with the provisions of the Income Tax Act, 1961 ('the Act'), dividend paid on or after 01 April 2020, is taxable in the hands of members and the Company is required to deduct tax at source ('TDS') from dividend paid to the members at the applicable rates.

TDS rates that are applicable to members depend upon their residential status and classification as per the provisions of the Act. The Company will therefore deduct tax at source at the time of payment of dividend, at rates based on the category of members and subject to fulfilment of conditions as provided herein below:

For Resident Members:

Tax will be deducted at source under Section 194 of the Act @ 10% on the amount of dividend payable, unless exempt under any of the provisions of the Act. However, in case of Individuals, TDS would not apply if the aggregate of total dividend paid to them by the Company during the financial year does not exceed ₹ 5,000.

No TDS will be deducted in cases where a member provides Form 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions as prescribed under the Act are met (click here to download the Form 15G and 15 H). Please note that all fields mentioned in the forms are mandatory and the Company will not be able to accept the forms submitted, if not filled correctly.

NIL / lower tax will be deducted on dividend payable to the following categories of resident members, on submission of self-declaration:

- **Insurance companies:** Documentary evidence to prove that the Insurance company qualify as Insurer in terms of the provisions of Section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN Card.
- **Mutual Funds:** Documentary evidence to prove that the mutual fund is a mutual fund specified under clause (23D) of Section 10 of the Act and is eligible for exemption, along with self-attested copy of the registration documents and PAN Card.
- **Alternative Investment Fund (AIF) established in India:** Documentary evidence to prove that AIF is a fund eligible for exemption u/s 10(23FBA) of the Act and that they are established as Category I or Category II AIF under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992). Copy of self- attested registration documents and PAN card should also be provided.
- **National Pension System Trust & other members:** Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN Card.
- Members who have provided a valid certificate issued u/s 197 of the Act for lower / nil rate of deduction or an exemption certificate issued by the income tax authorities.

Please also note that where tax is deductible under the provisions of the Act and the PAN of the shareholder is either not available or PAN available in records of the Company is invalid / inoperative, tax shall be deducted @ 20% as per section 206AA of the Act.

For Non-Resident Members (including Foreign Institutional Investors and Foreign Portfolio Investors):

- Tax is required to be withheld in accordance with the provisions of Sections 195 and 196D of the Act @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.
- As per section 90 of the Act, a non-resident member has an option to be governed by the provisions of the Double Taxation Avoidance Agreement ('DTAA') between India and the country of tax residence of the member, if such DTAA provisions are more beneficial to such member. To avail the DTAA benefits, the non-resident member will have to provide the following documents: -
- Self-attested copy of PAN, if any, allotted by the Indian tax authorities. In case of non-availability of PAN, declaration is to be submitted.
- Self-attested copy of valid Tax Residency Certificate ('TRC') issued by the tax authorities of the country of which member is tax resident, evidencing and certifying member's tax residency status.
- For the cases where PAN is not available, need to submit complete and duly signed self-declaration in Form 10F.
- For cases where PAN is available, need to submit Online Form-10F filed on Income-tax portal
- Self-declaration certifying the following points: -
  - Member is and will continue to remain a tax resident of the country of its residence during FY 2023-24 (i.e. 01.04.2023 to 31.03.2024);
  - Member is the beneficial owner of the shares and is entitled to the dividend receivable from the Company;

- Member qualifies as 'person' as per DTAA and is eligible to claim benefits as per DTAA for the purposes of tax withholding on dividend declared by the Company;
- Member has no permanent establishment / business connection / place of effective management in India or dividend income is not attributable/effectively connected to any Permanent Establishment (PE) or Fixed Base in India;
- Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.

• For cases where PAN is available, need to submit Online Form 10F filed on Income-tax portal.

• In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of the registration certificate issued by the Securities and Exchange Board of India.

• In case member is tax resident of Singapore and desires to claim treaty benefit, satisfaction of requirement of Article 24-Limitation of Benefit of India-Singapore Tax Treaty must be provided.

• Where a member furnishes lower / nil withholding tax certificate under Section 197 of the Act, TDS will be deducted as per the rates prescribed in such certificate.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-resident shareholder and meeting the requirements of the Act, read with the applicable DTAA. In absence of the same, the Company will not be able to apply the beneficial DTAA rates at the time of deducting tax on dividend.

Section 206AB of the Act:

Rate of TDS @ 10% u/s 194 of the Act is subject to provisions of Section 206AB of the Act (effective from 01 July 2021) which introduces special provisions for TDS in respect of taxpayers who have not filed their income-tax returns (referred to as "Specified Persons"). Under section 206AB of the Act, tax is to be deducted at higher of the following rates in case of payments to the specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

"Specified Person" as defined under section 206AB (3) of the Act.

The Central Board of Direct Taxes vide Circular No. 11 of 2021 dated 21 June 2021 has clarified that new functionality will be issued for compliance check under Section 206AB of the Act. Accordingly, for determining TDS rate on Dividend, the Company will be using said functionality to determine the applicability of Section 206AB of the Act.

To summarise, dividend will be paid after deducting tax at source as under:

i. Nil for resident individual members receiving dividend from the Company upto ₹5,000 during financial year.

ii. Nil for resident individual members in cases where duly filled up and signed Form 15G / 15H (as applicable) along with self-attested copy of the PAN card is submitted.

iii. 10% for other resident members in case copy of valid PAN is provided/available.

iv. 20% for resident members if copy of PAN is not provided / not available or resident shareholder is specified person under section 206AB as per compliance check utility of income tax department.

v. TDS rate will be determined based on documents submitted by the non-resident members.

vi. 20% (plus applicable surcharge and cess) for non-resident members in case the relevant documents are not submitted.

vii. Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

The above-mentioned rates will be subject to applicability of Section 206AB of the Act. In terms of Rule 37BA of the Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed in the Rules.

For all members:

In order to enable the Company to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income-Tax Act, 1961, we request you to provide the above-mentioned details and documents as applicable to the member on or before Tuesday, 20 June 2023. The dividend will be paid after deduction of tax at source as determined based on the aforementioned documents provided by the respective members as applicable to them and being found satisfactory.

Members may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you or due to defect in any of the aforementioned details/documents, option is available to you to file the return of income as per Act and claim an appropriate refund of the excess tax deducted, if eligible. No claim shall lie against the Company for such taxes deducted.

Kindly note that the aforementioned documents should be uploaded with KFin at https://ris.kfintech.com/form15/ on or before Tuesday, 20 June 2023 or emailed to einward.ris@kfintech. com. No communication on the tax determination / deduction shall be entertained after Tuesday, 20 June 2023.

UPDATION OF PAN, EMAIL ADDRESS AND OTHER DETAILS:

All the members are requested to update the residential status, registered email address, mobile number, category and other details with their relevant depositories through their depository participants, if the shareholding is in demat form or with the Company, if the shareholding is held in physical form, as may be applicable. The Company is obligated to deduct TDS based on the records made available by National Securities Depository Limited or Central Depository Services (India) Limited (collectively referred to as "the Depositories") in case of shares held in demat mode and from the Company record in case of shares held in physical mode and no request will be entertained for revision of TDS return.

UPDATE OF BANK ACCOUNT DETAILS:

In order to facilitate receipt of dividend directly in your bank account, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you may submit the name and bank account details of the first shareholder along with a cancelled cheque leaf with your name and bank account details and a duly self-attested copy of your PAN card, with Registered Office of the Company. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

Disclaimer: This Communication is not to be treated as advice from the Company or its affiliates or KFin. members should obtain the tax advice related to their tax matters from a tax professional.

9. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The members, whose names appear in the Register of members / list of Beneficial Owners as on Friday, 23 June 2023 (cut-off date) are entitled to vote on the resolutions set forth in this Notice.

10. Any person, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

11. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

12. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

13. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

14. Members who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

15. The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

16. The Company has appointed BNP & Associates, Company Secretaries, Mumbai, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

17. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

18. The result declared along with the scrutinizer's report shall be placed on the Company's website www.polycab.com under the head "Investor Relations – Latest updates" after the result is declared by the Chairman or a person authorised by him in writing. The same shall be communicated by the Company to the stock exchanges i.e., BSE Limited and National Stock Exchange of India Limited, not later than 48 hours of the conclusion of the AGM.

19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode. Members can inspect the same by sending an e-mail to shares@polycab.com.

21. The Securities and Exchange Board of India (SEBI) vide its circular dated 20 April 2018, has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account details to KFin by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the member. In the alternative members are requested to submit a copy of bank passbook/statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

22. Any member desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the AGM through e-mail on shares@polycab.com. The same shall be replied by the Company suitably.

23. As per Regulation 12 of the Listing Regulations read with Schedule I to the said Regulations, it is mandatory for all the Companies to use bank details furnished by the investors for distributing dividends, interests, redemption or repayment amounts to them through National/Regional/Local Electronic Clearing Services (ECS) or Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), National Automated Clearing House (NACH) wherever ECS/RTGS/NEFT/NACH and bank details are available. In the absence of electronic facility, Companies are required to mandatorily print bank details of the investors on 'payable-at-par' warrants or cheques for distribution of Dividends or other cash benefits to the investors. In addition to this, if bank details of investors are not available, Companies shall mandatorily print the address of the investor on such payment instruments. Therefore, members holding shares in physical mode are requested to update their bank details with the Company or Registrar and Transfer Agent (RTA) immediately. Members holding shares in demat mode are requested to record the ECS mandate with their DPs concerned.

24. Members who have not registered their e-mail addresses, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, circulars etc. from the Company electronically.

25. Members desirous of making a nomination in respect of their shareholding, under Section 72 of the Companies Act, 2013, are requested to send their request to the Secretarial Department by sending an e-mail to shares@polycab.com.

26. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to unpaid dividend account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline.

27. Instructions for e-voting and joining the AGM are as follows:

How do I vote electronically using NSDL e-Voting system?

The remote e-voting period will commence at 09.00 a.m. on Tuesday, 27 June 2023, and will end at 5.00 p.m. on Thursday, 29 June 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of members / beneficial owners as on the cut-off date i.e., Friday, 23 June 2023, may cast their vote electronically. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 23 June 2023. The results of the voting shall be announced on or before Tuesday, 04 July 2023, and shall also be displayed on the Company's website www.polycab.com and on the website of NSDL, besides communicating to the stock exchanges, where the Company's equity shares are listed.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) **Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode**

In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility. Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Members holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are: https://web.cdslindia.com/myeasinew/Home/Login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider – NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 & 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) **Login Method for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store Google Play

6. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for members other than Individual Members are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those members whose email ids are not registered

2. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

4. Now, you will have to click on "Login" button.

5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to bn@bnpassociates.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (einward.ris@kfintech.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (einward.ris@kfintech.com). If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the meeting through Laptops for better experience.

3. Further members will be required to allow Camera and use Internet with a good bandwidth to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at shares@polycab.com. The Speaker Registration will open on Friday, 23 June 2023 (09.00 a.m. IST) to Monday, 26 June 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. Members seeking any information with regard to the accounts or any matter to be placed at the 27th AGM, are requested to write to the Company on or before Tuesday, 27 June 2023 through e-mail on shares@polycab.com. The same will be replied by the Company suitably.

7. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / or on toll free no.1800-222-990.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item Number 1 & 2: Adoption of Audited of Standalone and Consolidated Financial Statements

Pursuant to section 129 and section 133 of the Companies Act 2013, the Board has adopted the Audited Standalone and Consolidated Financial Statements for financial year ended 31 March 2023. The Audited Standalone and Consolidated Financial Statements show true statement and represent a true and fair view of the Company's affairs.

The Company hereby confirms that during the financial year Standalone and Consolidated Financial Statements have:

a) no change in accounting policies;

b) no trade receivable from related party has been written-off;

c) no fraud has been reported by the Statutory Auditors; and

d) sufficient Cash Flow / Cash Equivalents.

The Financial Statements of Subsidiaries are placed on Company's website for members ease of reference.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the passing of resolution set out at Item Number 1 & 2 for approval of the members as an ordinary resolution.

Item Number 3: Declaration of Dividend

The Board of Directors, in accordance with Dividend Distribution Policy of the Company, while recommending the dividend have taken into consideration various parameters such as profits earned during the financial year, retained earnings, earnings outlook for next three to five years, fund requirements for future investments for growth and expected future capital / liquidity requirements.

The Dividend, if approved by the members will be paid on or before 30 days from the date of Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned, financially or otherwise in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the passing of resolution set out at Item Number 3 for approval of the members as an ordinary resolution.

Item Number 4:

Appointment of Mr. Bharat A. Jaisinghani (DIN: 00742995) as Director liable to retire by rotation

As per the terms of appointment and Articles of Association of the Company, except Managing Director all other Executive Directors are subject to retirement by rotation. Mr. Bharat A. Jaisinghani who was appointed as Executive Director on 13 May 2021 and whose office is liable to retire at the ensuing AGM, being eligible, seeks reappointment. Based on performance evaluation, the Board recommend his re-appointment at the Annual General Meeting.

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 from the University of Manchester. He has also completed his Executive Education Programme called Programme for Leadership Development from Harvard Business School and an Executive Programme from Singularity University. He has worked in different areas of sales, business segment leadership, consumer - centric innovation, marketing, IT and digitalisation, production and other support services and currently working on growth and strategic initiatives.

The other details of Mr. Bharat A. Jaisinghani in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure I** to this Notice.

Except Mr. Inder T. Jaisinghani, Mr. Bharat A. Jaisinghani and Mr. Nikhil R. Jaisinghani and their relatives, none of the Directors, Key Managerial Personnel of the Company, or their relatives are, in any way, interested or concerned, financially or otherwise in the said resolution except to the extent of their shareholding if any, in the Company.

The Board recommends the passing of resolution set out at Item Number 4 for approval of the members as an ordinary resolution.

Item Number 5:

Ratification of remuneration payable to the Cost Auditors for the financial year ending 31 March 2024

The Company has Manufacturing units at several locations. The cost records of these units and such other units of the Company as may be included from time to time are required to be audited by the Cost Auditors.

Based on the market trend and current industry practices, the Audit Committee reviews the proposal for appointment and remuneration payable to Cost Auditors and recommend the same to Board for their approval.

The remuneration of the Cost Auditors is being determined in consensus with the Cost Auditors taking into consideration the agreed scope of work for all units, the performance of the Cost Auditors and turnover of the Company.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, had approved the appointment of R. Nanabhoy & Co., Cost Accountants, (From Registration No. 000010) to conduct the audit of the cost records of all the units of the Company as applicable for the financial year ending 31 March 2024, at a remuneration of ₹1,200,000 (Rupees Twelve Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals if any.

R. Nanabhoy & Co. is one of the leading Cost Accounting and Cost Audit firm in India in practice for over seven decades. They provide effective cost accounting reports and offers wide spectrum of service in the areas Cost & Management Accounting.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company. Consequently, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending 31 March 2024.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned, financially or otherwise in the said resolution.

A copy of all the relevant documents would be available for inspection by the members at the Registered Office of the Company between 11:00 A.M. and 01:00 P.M. on all working days except Saturday and Sunday from the date hereof up to the date of Annual General Meeting.

The Board recommends the passing of resolution set out at Item Number 5 for approval of the members as an ordinary resolution.

Item Number 6:

Re-appointment of Mr. T. P. Ostwal (DIN: 00821268) for a second term as an Independent Director of the Company

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Board of Directors of the Company at its meeting held on 20 September 2018 had appointed Mr. T. P. Ostwal as Independent Director of the Company for a first term of 5 (five) consecutive years commencing from 20 September 2018, to 19 September 2023. Mr. Ostwal's appointment was subsequently approved by the members at the 23rd Annual General Meeting ("AGM") of the members of the Company held on 26 June 2019. The first tenure of his appointment would expire on 19 September 2023, due to efflux of time and as per Section 149(10) and 149(11) of the Act, he is eligible for re-appointment for the second term as Independent Director of the Company.

Brief Profile:

Mr. T. P. Ostwal is a qualified Chartered Accountant from the Institute of Chartered Accountants of India since 1978. He is a Practicing Chartered Accountant and a Senior Partner with T. P. Ostwal and Associates LLP. He is also a partner at DTS & Associates, Chartered Accountants. He has served as a member of the advisory group for advising and establishing Transfer Pricing Regulations in India set up by the Central Board of Direct Taxes, Ministry of Finance, Government of India. He is a member of all 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. Mr. T. P. Ostwal also serves as Independent Director on the Board of Oberoi Realty, Oberoi Constructions, Intas Pharmaceuticals, Mankind Pharma amongst others. He is also a regular speaker on international Tax in India and Abroad.

Mr. T. P. Ostwal is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Independent Director. The Company has received the declarations from Mr. T. P. Ostwal stating that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Mr. T. P. Ostwal fulfils the conditions for re-appointment as Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

The Nomination and Remuneration Committee at its Meeting held on 11 May 2023, based on the criteria detailed in the Nomination & Remuneration Policy and other policies of the Company, an abstract of which is reproduced below for ease of reference, considered the continued association of Mr. T. P. Ostwal as an Independent Director of the Company:

1) the outcome of performance evaluation based on various criteria including amongst others attendance at Board and Committee Meetings, skill, expertise, experience, ability to challenge views of others in a constructive manner, familiarisation with the business, industry knowledge and global trends;

2) valuable contribution made by Mr. Ostwal as the Chairman of Audit Committee considering expertise in accounting and financial management, present audit engagements with large organisations, strategy planning and implementation, Business Leadership, Corporate Governance ethics & ESG;

3) 100% attendance at all Board, Audit Committee, Nomination and Remuneration and Risk Management Committee meetings held during his first term;

4) preparedness and participation at the Board / Committee Meetings;

5) aiding the Board and the Management in deliberations and decision making for attaining the business and governance objectives of the Company; and

6) present and required future acumen of the Board based on the goals, targets and aspirations of the Company.

The Board is of the view that the knowledge and experience that Mr. T. P. Ostwal brings along with him will continue to be of immense benefit and value to the Company and pursuant to the recommendation of the NRC, recommend his re-appointment as an Independent Director to the members, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company commencing from 20 September 2023 to 19 September 2028.

Mr. T. P. Ostwal would be entitled for sitting fee, reimbursement of expenses at actuals and commission as approved by the members at the AGM held on 29 June 2022 or such revised commission as approved by the members from time to time.

The Company has received a notice in writing from a member under Section 160 of the Act, proposing the candidature of Mr. T. P. Ostwal, for the office of Independent Director of the Company.

The Company has received, inter alia, the consent letter, declarations and confirmations from Mr. T. P. Ostwal with regard to the proposed re-appointment. The other details of Mr. Ostwal in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure I** to this Notice.

A copy of the consent letter, declarations, confirmations and draft letter of re-appointment constituting terms and conditions of appointment would be available for inspection by the members at the registered office of the Company between 11:00 A.M. and 01:00 P.M. on all working days except Saturday and Sunday from the date hereof up to the date of AGM.

Save and except Mr. T. P. Ostwal and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are in any way, concerned or interested, financially or otherwise. The Board recommends the passing of resolution as set out at Item No. 6 for approval of the members as a special resolution.

Item Number 7:

Re-appointment of Mr. R. S. Sharma (DIN: 00013208) for a second term as an Independent Director of the Company

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Board of Directors of the Company at its meeting held on 20 September 2018 had appointed Mr. R. S. Sharma as an Independent Director for a first term of 5 consecutive years commencing from 20 September 2018 to 19 September 2023 which was subsequently approved by the members at the 23rd AGM of the members of the Company held on 26 June 2019. The first tenure of his appointment would expire on 19 September 2023 due to efflux of time and as per Section 149(10) and 149(11) of the Act are eligible for re-appointment for the second term as Independent Director of the Company.

Brief Profile:

Mr R. S. Sharma is the former Chairman and Managing Director of Oil and Natural Gas Corporation Limited and has been and is currently on Board of numerous companies. Mr. Sharma holds a Bachelor of Arts' degree from University of Delhi. He is qualified as Cost Accountant from ICWA and is holder of Associate Certificate from the Indian Institute of Bankers.

Mr. R. S. Sharma is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Independent Director. The Company has received the declarations from Mr. R. S. Sharma stating that he meets the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Mr. R. S. Sharma fulfils the conditions for re-appointment as an Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

The Nomination and Remuneration Committee at its Meeting held on 11 May 2023, based on the criteria detailed in the Nomination & Remuneration Policy and other policies of the Company, an abstract of which is reproduced below for ease of reference, considered the continued association of Mr. R. S. Sharma as Independent Director of the Company:

1) the outcome of performance evaluation based on various criteria including amongst others attendance at Board and Committee Meetings, skill, expertise, experience, ability to challenge views of others in a constructive manner, familiarisation with the business, industry knowledge and global trends.

2) valuable contribution made by Mr. R. S. Sharma as the Chairman of the NRC Committee considering expertise in accounting and financial management, present audit engagements with large organisations, strategy planning and implementation, Business Leadership, Corporate Governance ethics & ESG.

3) 100% attendance at all Board, Audit Committee, and Nomination and Remuneration Committee meetings held during his first term;

4) preparedness and participation at the Board / Committee Meetings

5) aiding the Board and the Management in deliberations and decision making for attaining the business and governance objectives of the Company

6) present and required future acumen of the Board based on the goals, targets and aspirations of the Company

The Board is of the view that the knowledge and experience that Mr. R. S. Sharma brings along with him will continue to be of immense benefit and value to the Company and pursuant to the recommendation of the NRC and consent letter received from him wherein he expressed his willingness to be re-appointed as Independent Director for a period of 2 years, the Board recommends his re-appointment as Independent Director to the members, not liable to retire by rotation, for a second term of 2 (Two) consecutive years on the Board of the Company commencing from 20 September 2023 to 19 September 2025.

Mr. R. S. Sharma would be entitled for sitting fee, and reimbursement of expenses at actuals and commission as approved by the members at the AGM held on 29 June 2022, or such revised commission as approved by the members from time to time.

The Company has received notice in writing from a member under Section 160 of the Act, proposing the candidature of Mr. R. S. Sharma, for the office of Independent Director of the Company.

The Company has received, inter alia, the consent letter, declarations and confirmations from Mr. R. S. Sharma with regard to the proposed re-appointment. The other details of Mr. R. S. Sharma in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure I** to this Notice.

A copy of the consent letter, declarations, confirmations and draft letter of re-appointment constituting terms and conditions of re-appointment would be available for inspection by the members at the registered office of the Company between 11:00 A.M. and 01:00 P.M. on all working days except Saturday and Sunday from the date hereof up to the date of Annual General Meeting.

Save and except Mr. R. S. Sharma, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are in any way, concerned or interested, financially or otherwise. The Board recommends the passing of resolution as set out at Item No. 7 for approval of the members as a special resolution.

Item Number 8:

Appointment of Mr. Bhaskar Sharma (DIN: 02871367) for a first term as an Independent Director of the Company

The Management believes that Board should consist of adequate mix of Directors from varied backgrounds for bringing in Board diversity and ensuring that the discussions are broad based with multiple perspectives. The Management further recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

The Nomination and Remuneration Committee reviewed the profile of Mr. Bhaskar Sharma for recommending his appointment as Director on the Board taking into consideration knowledge, experience, financial literacy, expertise, global market awareness and other relevant factors and required board skills.

In view of the above, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Bhaskar Sharma as an Additional (Non-executive Independent) Director of the Company under Section 149, 150, and 152 of the Companies Act, 2013, with effect from 12 May 2023.

Mr. Bhaskar Sharma holds office up to the date of the forthcoming General Meeting and is eligible to be appointed as an Independent Director for a first term upto (3) Three consecutive years. As per the terms of amendment in the Listing Regulations effective from 01 January 2022, a listed entity shall ensure that approval of members for appointment of a person on the Board of Directors is taken at the next general meeting or within a period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Mr. Bhaskar Sharma as Independent Director would require the approval of members of the Company at the ensuing AGM.

Brief Profile:

Mr. Bhaskar Sharma is a business leader and marketing expert with a passion for accelerating business growth in companies, particularly in emerging markets across Asia Pacific, Africa, and Middle East. His depth of experience in the region includes general management expertise, holistic market development and building high performance teams. In his role as Director and Chief Executive Officer of Red Bull India, he was instrumental in building global brand and new category in India. Over past 14 years, Mr. Bhaskar Sharma has built a high caliber team; brought Red Bull's iconic global marketing mix to India and developed strong local marketing assets building key brand indices among Indian youth. He has led the complete set-up of the Red Bull's and Distribution network. The journey also involved hands-on navigation through complex yet rewarding policy and regulatory environment of India, and creating an organization fully compliant with global standards, ready for accelerated ascent, resulting in profitable twenty-five-fold growth.

Mr. Bhaskar Sharma has completed his Master's degree in Business Administration and Master of Science from Mumbai

Mr. Bhaskar Sharma, in his previous roles as Vice President, Marketing Operations for Asia, Africa, Middle East, and Turkey with Unilever Asia, based in Singapore; as Managing Director Unilever Foods based in Taiwan and extensive years in Unilever in SE Asia and Far East, has gained rich spectrum of interfaces, internally with global stakeholders in a matrix structure, and externally with joint venture partners and franchisees in various countries.

The Company has received a notice under Section 160 of the Companies Act, 2013 from a member in writing proposing the candidature of Mr. Bhaskar Sharma for appointment as an Independent Director of the Company.

The Board is of the view that the association of Mr. Bhaskar Sharma coupled with his rich experience and knowledge in strategy & planning, administration & management, governance, marketing and processes would benefit the Company and support the Board in discharging its responsibility, functions, and duties effectively. Further, Mr. Bhaskar Sharma has also expressed his commitment to contribute wholeheartedly to the vision, mission and purpose of Company.

In the opinion of the Board, he fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the proposed appointment as an Independent Director of the Company and is independent of the management. Further, Mr. Bhaskar Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. He would be entitled for sitting fee, and reimbursement of expenses at actuals. Further, Mr. Bhaskar Sharma shall be entitled to commission as approved by the members at the AGM held on 29 June 2022, or such revised commission as approved by the members from time to time.

The Company has received, inter alia, the consent letter, declarations and confirmations from Mr. Bhaskar Sharma with regard to the proposed appointment. The other details of Mr. Bhaskar Sharma in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 are given in **Annexure I** to this Notice.

A copy of consent letter, declarations, confirmation and draft letter of appointment constituting terms and conditions of appointment would be available for inspection by the members at the registered office of the Company between 11:00 A.M. and 01:00 P.M. on all working days except Saturday and Sunday from the date hereof up to the date of AGM.

Save and except Mr. Bhaskar Sharma and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise.

The Board recommends the passing of resolution as set out at Item No. 8 for approval of the members as a special resolution.

By Order of the Board of Directors
of **Polycab India Limited**

Manita Carmen A. Gonsalves
Company Secretary & Head Legal
M. No.: A18321

Place: Mumbai
Date: 12 May 2023

Registered Office: Unit 4, Plot No. 105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat – 389 350
Phone No.: +91 2676227600/227700
website: www.polycab.com

Notice

Annexure I

INFORMATION OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE ENSUING AGM OF THE COMPANY AS PER REGULATION 36 OF LISTING REGULATIONS AND SECRETARIAL STANDARD - 2:

Particulars	Mr. Bharat A. Jaisinghani	Mr. T. P. Ostwal	Mr. R. S. Sharma	Mr. Bhaskar Sharma
Age	39 years	68 years	72 years	59 years
Qualification	He holds a master's degree in operations management from the University of Manchester. He has completed his Executive Education Programme for Leadership Development from Harvard Business School and also completed an Executive Programme from Singularity University	He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India.	He holds a Bachelor of Arts' degree from University of Delhi. He has passed the final certificate examination from the Institute of Cost and Works Accountants of India and the Associate examination from the Indian Institute of Bankers	He holds Master's degree in Business Administration (MBA) and Masters of Science from Mumbai
Experience (including expertise in specific functional area)/Brief Resume	Strategy Planning & Implementation, Business Leadership, Sales & Marketing including Global Business, Corporate Governance, Ethics & ESG, Operational Experience, Financial Acumen & Risk Assessment, Information Technology & Digitalisation, Consumer Insights & Innovation.	Strategy Planning & Implementation, Business Leadership, Corporate Governance, Ethics & ESG, Operational Experience, Financial Acumen & Risk Assessment, Consumer Insights & Innovation	Strategy Planning & Implementation, Business Leadership, Sales & Marketing including Global, Corporate Governance, Ethics & ESG, Operational Experience, Financial Acumen & Risk Assessment.	Strategy Planning & Implementation, Business Leadership, Sales & Marketing including Global Business, Corporate Governance, Ethics & ESG, Operational Experience, Financial Acumen & Risk Assessment and Consumer Insights & Innovation.
Terms and Conditions of Appointment / Reappointment	Executive Director liable to retire by rotation	Independent Director not liable to retire by rotation	Independent Director not liable to retire by rotation	Independent Director not liable to retire by rotation
Remuneration last drawn (including sitting fees, if any) till 31 March 2023	₹21.06 million	₹3.70 million*	₹3.54 million*	Not Applicable
Date of first appointment on the Board	13 May 2021	20 September 2018	20 September 2018	12 May 2023
Shareholding in the Company as on 31 March 2023	5,472,572 equity shares	Nil	Nil	Nil
Relationship with other Directors / Key Managerial Personnel	Nephew of Mr. Inder T. Jaisinghani, Chairman & Managing Director and cousin of Mr. Nikhil R. Jaisinghani Executive Director	None	None	None
Number of Meetings of the Board attended during the year	4 (Four)	4 (Four)	4 (Four)	Not Applicable
Directorships of other Boards as on 31 March 2023#	Nil	Oberoi Realty Limited Oberoi Constructions Limited Intas Pharmaceuticals Limited Mankind Pharma Limited Supremus Lower Parel Premises Limited	Hinduja Leyland Finance Limited Jubilant Industries Limited Indian Gas Exchange Limited Jubilant Agri and Consumer Products Limited Sembcorp Energy India Limited Sembcorp Green Infra Limited	Nil
Membership / Chairmanship of Committees of other Boards as on 31 March 2023	Nil	Chairman - 2 Member - 4	Chairman - 3 Member - 9	Nil

Excludes Directorships held in private companies, foreign companies and companies under section 8 of the Act and Polycab India Limited and excludes Committee Memberships / Chairmanships of Polycab India Limited private companies, foreign companies and companies under section 8 of the Act. Only Audit Committees and Stakeholders' Relationship Committees are considered as per the provisions of Regulation 26 of Listing Regulations, 2015.

* includes commission of ₹2.50 million of FY 2021-22 paid in FY 2022-23.

Glossary

A	**Performance Ratios**	
	EBITDA/Net Sales %	EBITDA = PBT + Interest + Depreciation - Other Income Net Sales = Revenue from operations
	EBIT/Net Sales %	EBIT = PBT + Finance Cost - Other Income
	Fixed Assets Turnover ratio	Net Sales/ Total Fixed Assets
	Asset Turnover	Net sales/ Total assets
	Debtors Turnover	Closing Current Trade Receivables/ Net Sales
	Inventory Turnover	Closing Inventory/ Net Sales
	Return on Capital Employed %	(PBT+Finance Cost)/Capital Employed
	Return on Equity	PAT/ Shareholder's Funds
	International Revenue share	International Revenue/ Net Sales
B	**Leverage Ratios**	
	Interest Coverage Ratio	EBITD/Interest cost
	Debt Equity Ratio	Total Debt/Shareholders Funds
	Debt/Total Assets	Total Debt/Total Assets
C	**Liquidity Ratio**	
	Current Ratio	Current Assets/ Current Liabilities
	Quick Ratio	(Current Assets - Inventories)/ Current Liabilities
D	**Activity Ratio**	
	Inventory days	Inventory / Turnover * 365
	Receivable days	Receivables / Turnover * 365
	Payables days	(Trade Payables + Other Current Liabilities) / Turnover * 365
	Net Cash Cycle days	Inventory days + Receivables days - Payables days
E	**Investor related Ratios**	
	Price to Earnings Ratio	Period closing share price / EPS
	Enterprise Value	Period closing market capitalisation + Debt + Non controlling interest - Cash & Cash equivalents
F	**Others**	
	Cash and cash equivalents	Cash + Bank Balances + Current Investments
	CY	Year ending December
	FY	Year ending March
	mn	Million

List of Web Links mentioned in Annual Report

S. No.	Name of the Policy / Programme / Documents	Weblink
1.	Vigil Mechanism / Whistle Blower Policy	https://polycab.com/wp-content/uploads/2021/07/Whistle-Blower-Policy-1.pdf
2.	Dividend Distribution Policy	https://polycab.com/wp-content/uploads/2020/05/DIVIDEND-DISTRIBUTION-POLICY.pdf
3.	Familiarization Programme for Independent Directors	https://polycab.com/wp-content/uploads/2021/07/DETAILS-OF-FAMILIARIZATION-PROGRAMME-IMARTED-TO-INDEPENDENT-DIRECTORS-DURING-FINANCIAL-YEAR-2022-23.pdf
4.	Corporate Social Responsibility Policy	https://polycab.com/wp-content/uploads/2020/05/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf
5.	Risk Management Policy	https://polycab.com/wp-content/uploads/2021/07/RISK-MANAGEMENT-POLICY-1.pdf
6.	Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions	https://polycab.com/wp-content/uploads/2021/07/Related-Party-Transaction-Policy.pdf
7.	Annual Return	https://polycab.com/wp-content/uploads/2021/07/MGT-7-Annual-Return-FY-2022-23.pdf
8.	Nomination & Remuneration Policy	https://polycab.com/wp-content/uploads/2021/05/NOMINATION-REMUNERATION-POLICY.pdf
9.	Disclosures with respect to Employees Stock Option Scheme, 2018 of the Company pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on 31 March 2023	https://polycab.com/wp-content/uploads/2021/07/Disclosure-Under-SEBI-Share-Based-Employee-Benefits-And-Sweat-Equity-Regulations-2022-23.pdf
10.	CSR Committee	https://polycab.com/wp-content/uploads/2021/07/COMMITTEES-OF-THE-BOARD-2.pdf
11.	Corporate Social Responsibility Policy	https://polycab.com/wp-content/uploads/2020/05/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY.pdf
12.	CSR Projects 2022-23	https://polycab.com/wp-content/uploads/2021/07/CSR-ANNUAL-ACTION-PLAN-2022-2023.pdf
13.	T&C for Appointment of Independent Directors	https://polycab.com/wp-content/uploads/2021/05/TERMS-AND-CONDITIONS-FOR-APPOINTMENT-OF-INDEPENDENT-DIRECTOR.pdf
14.	Criteria for making payment to Non-Executive Directors	https://polycab.com/wp-content/uploads/2020/06/Criteria-for-making-payment-to-the-Non-Executive-Directors.pdf
15.	Terms of Reference of Committee	https://polycab.com/wp-content/uploads/2021/07/COMMITTEES-OF-THE-BOARD-2.pdf
16.	Policy for determining material subsidiaries	https://polycab.com/wp-content/uploads/2019/09/PIL-Policy-for-determining-Material-Subsidiaries.pdf
17.	Code for Prevention of Insider Trading	https://polycab.com/wp-content/uploads/2021/05/CODE-OF-CONDUCT-TO-REGULATE-MONITOR-AND-REPORT-TRADING-BY-ITS-DESIGNATED-PERSONS-AND-THEIR-IMMEDIATE-RELATIVES.pdf
18.	Polycab's Code of Conduct	https://polycab.com/wp-content/uploads/2021/07/Polycab-Code-of-Conduct.pdf
19.	Scrutiniser's Report on Postal Ballot	https://polycab.com/wp-content/uploads/2021/07/Scrutinizers-Report-Postal-ballot-March2023.pdf
20.	Annual Secretarial Compliance Report	https://polycab.com/wp- content/uploads/2021/07/AnnualSecretarialComplianceReport31032023.pdf
21.	E-voting results of NCLT convened meeting of the equity shareholders	https://polycab.com/wp-content/uploads/2021/07/Disclosure-of-Voting-Results-of-the-NCLT-Convened-Meeting-of-the-Equity-Shareholders.pdf
22.	Board Diversity Policy	https://polycab.com/wp-content/uploads/2019/09/POLICY-ON-DIVERSITY-OF-THE-BOARD-OF-DIRECTORS.pdf

Key Ratios

Consolidated

	FY23	FY22	FY21	FY20	FY19
Financials					
Net Sales	1,41,078	1,22,038	87,922	88,300	79,856
EBITDA	18,429	12,626	11,117	11,276	9,504
EBIT	16,337	10,611	9,356	9,667	8,090
PBT	17,073	11,159	10,122	10,100	7,561
PAT	12,823	9,173	8,859	7,656	5,003
Net Fixed Assets	23,177	20,506	19,686	16,632	14,686
Net Working Capital	42,822	33,998	27,581	20,408	13,052
Shareholders Networth	66,311	55,437	47,539	38,364	28,470
Debt	890	831	2,487	1,571	2,724
Cash and Bank Balances	6,952	4,071	5,313	2,813	3,166
Investments- Current	13,505	7,641	6,231	400	-
Performance Ratios					
EBITDA / Net Sales %	13.1%	10.3%	12.6%	12.8%	11.9%
EBIT / Net Sales %	11.6%	8.7%	10.6%	10.9%	10.1%
PAT / Net Sales %	9.1%	7.5%	10.1%	8.7%	6.3%
Fixed Assets Turnover Ratio	6.1	6.0	4.5	5.3	5.4
Asset Turnover	1.5	1.6	1.3	1.5	1.4
Debtors Turnover	11.1	8.9	6.1	6.4	6.1
Inventory Turnover	4.1	4.5	3.3	3.2	3.5
Return on Capital Employed	26.1%	20.4%	20.7%	26.4%	27.9%
Return on Equity	21.0%	17.7%	20.5%	22.8%	19.2%
International Revenue share	9.8%	7.6%	8.5%	12.4%	3.1%
Leverage Ratios					
Interest Coverage Ratio	27.3	30.2	21.9	19.5	6.9
Debt Equity Ratio	0.01	0.01	0.05	0.04	0.10
Debt / Total Assets	0.01	0.01	0.04	0.03	0.05
Liquidity Ratios					
Current Ratio	2.6	3.0	2.4	2.0	1.5
Quick Ratio	1.5	1.7	1.4	1.1	0.7
Activity Ratios					
Receivable days	32	39	59	59	61
Inventory days	102	85	110	110	122
Payables days	54	49	76	87	71
Net Cash Cycle days	81	75	93	83	112
Investor Ratios					
Earnings Per Share	84.9	60.9	59.2	51.2	35.4
Dividend Per Share (Interim + Final)*	20.0	14.0	10.0	7.0	3.0
Dividend Payout % (Excluding DDT)	23.6%	23.0%	16.9%	13.7%	8.5%
Price to Earnings Ratio	33.9	38.8	23.3	14.5	NA
Enterprise Value / EBITDA	23.3	28.0	18.3	9.8	NA
Enterprise Value / Net Sales	3.0	2.9	2.3	1.2	NA

*FY23 dividend recommended

Notes

Corporate Information

Board of Directors

Mr. Inder T. Jaisinghani
Chairman and Managing Director

Mr. Bharat A. Jaisinghani
Executive Director

Mr. Nikhil R. Jaisinghani
Executive Director

Mr. Gandharv Tongia
Executive Director & CFO
(Appointed w.e.f. 19 January 2023)

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

Mrs. Manju Agarwal
Independent Director
(Appointed w.e.f. 19 January 2023)

Mr. Bhaskar Sharma
Independent Director
(Appointed w.e.f. 12 May 2023)

Company Secretary and Head Legal

Ms. Manita Carmen A. Gonsalves

Auditors

B S R & Co LLP
Chartered Accountants
5th Floor, Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011.

Sustainability Assurance Provider

KPMG Assurance and Consulting Services LLP
02nd Floor, Block T2 (B-wing), Lodha Excelus
Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi
Mumbai – 400 011

Bankers

State Bank of India
Bank of Baroda
Punjab National Bank
Bank of India
HDFC Bank
RBL Bank
ICICI Bank
Standard Chartered Bank
Citibank N.A.
HSBC Bank

Corporate Office

#29, The Ruby, 21st Floor, Senapati Bapat Marg, Tulsi Pipe Road, Dadar (West), Mumbai - 400 028
Tel: +91 22 2432 7070-74
Email: info@polycab.com

Registered Office

Unit No.4, Plot No.105, Halol Vadodara Road, Village Nurpura, Taluka Halol, Panchmahal, Gujarat-389350 ,
Tel: 2676- 227600 / 227700
CIN: L31300GJ1996PLC114183
Email: shares@polycab.com
Website: www.polycab.com

/Concept, content and design at AICL (hello@aicl.in)

Connection Zindagi Ka

Registered Office
Unit 4, Plot No.105,
Halol Vadodara Road,
Village Nurpura, Taluka Halol,
Panchmahal, Gujarat – 389 350
Tel: 2676-227600 / 227700
CIN: L31300GJ1996PLC114183
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Corporate Office
#29, The Ruby, 21st Floor, Senapati
Bapat Marg, Tulsi Pipe Road, Dadar
(West), Mumbai -400 028
Tel: +91 22 2432 7070-74
Email: info@polycab.com
Website: **www.polycab.com**