

**TRANSCRIPT OF 42<sup>nd</sup> ANNUAL GENERAL MEETING OF FINOLEX INDUSTRIES LIMITED HELD ON 28<sup>th</sup> AUGUST, 2023**

**Moderator:** The Dear Shareholders, good afternoon and a warm welcome to you all to the 42<sup>nd</sup> Annual General Meeting of Finolex Industries Limited being held through video conferencing and other audio visual means. All the members joining this meeting are placed by default in mute mode to avoid any background noise disturbance and to ensure smooth and seamless conduct of the meeting. The audio and video will be opened only to those shareholders who have pre-registered themselves as speakers. Please note that as per the requirements, the proceedings of the 42<sup>nd</sup> Annual General Meeting will be recorded and hosted on the website of the company. We request Members not to disclose any personal sensitive information or personally identifiable information belonging to you or any other persons that has no bearing on this meeting. I now hand over the proceedings to Mr. Prakash P. Chhabria Chairman of Finolex Industries Limited.

**Mr. Prakash P. Chhabria:** I have the pleasure in welcoming the shareholders, representatives of financial institutions, banks, foreign institutional investors, mutual funds, corporates and insurance companies to the 42<sup>nd</sup> Annual General Meeting of Finolex Industries Limited. It is now the appointed time for the meeting. The Annual General Meeting for the financial year 2022-2023 is being held through video conferencing. In compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Company has taken all the steps to ensure that the shareholders are provided an opportunity to participate in the Annual General Meeting and vote electronically. Participation of shareholders through video conferencing is reckoned for the purpose of quorum. As per the circulars issued by Ministry of Corporate Affairs and Section 103 of the Companies Act 2013, the requisite quorum being present, I formally declare the meeting open. I take this opportunity to introduce you to the members of the Board,

**Mr. Prakash P. Chhabria:** Mr. Pradeep Rathi, Chairman of the Audit Committee.

**Mr. Pradeep Rathi:** Namaste.

**Mr. Prakash P. Chhabria:** Mr. Annami N. Roy, Chairman of Stakeholders Relationship Committee.

**Mr. Annami N. Roy:** Namaste.

**Mr. Prakash P. Chhabria:** Ms. Bhumika L. Batra, Chairperson of the Nomination and Remuneration Committee.

**Ms. Bhumika Batra:** Namaste

**Mr. Prakash P. Chhabria:** Mrs. Ritu Chhabria, Chairperson of the Corporate Social Responsibility Committee.

**Mrs. Ritu Chhabria:** Namaste.

**Mr. Prakash P. Chhabria:** Mrs. Kanchan U. Chitale, Chairperson of the Risk Management Committee.

**Mrs. Kanchan U. Chitale:** Namaskar.

**Mr. Prakash P. Chhabria:** Dr. Deepak Parikh, Independent Director.

**Dr. Deepak Parikh:** Namaste.

**Mr. Prakash P. Chhabria:** Mr. Saurabh S. Dhanorkar Non-Executive Director.

**Mr. Saurabh S. Dhanorkar:** Namaste

**Mr. Prakash P. Chhabria:** Mr. Ajit Venkataraman. Managing Director.

**Mr. Ajit Venkataraman:** Namaste.

**Mr. Prakash P. Chhabria:** Mr. Soumya Chakrabarti, Director-Technical.

**Mr. Soumya Chakrabarti:** Namaste.

**Mr. Prakash P. Chhabria:** Mr. Niraj Kedia, Chief Financial Officer.

**Mr. Niraj Kedia:** Namaste.

**Mr. Prakash P. Chhabria:** Mr. Ashutosh Kulkarni, Company Secretary, are also present.

**Mr. Ashutosh Kulkarni:** Namaste.

**Mr. Prakash P. Chhabria:** The representatives of the statutory auditors and secretarial auditors of the company are also present at this meeting from their respective locations, the register of directors and key managerial personnel and their shareholding register of members, register of contracts or arrangements in which directors are interested and other documents as required are available for inspection by the members electronically if so desire. As the meeting is being held through video conference, the facility for appointment of proxies by the members was not applicable and hence the inspection of the proxy register is not available. In compliance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the notice dated, 22<sup>nd</sup> May 2023 convening this AGM and the copy of the Annual Report of the company for the financial year ended 31<sup>st</sup> March 2023 has been circulated on 5<sup>th</sup> August 2023 through electronic means to the members of the company and with your permission, I shall take them as read.

**Mr. Ashutosh Kulkarni:** Thank you. With this, I now request our chairman to kindly address the shareholders.

**Mr. Prakash P. Chhabria:** Dear shareholders. Good afternoon. Welcome to the 42<sup>nd</sup> Annual General Meeting of your company. This year has seen us grow our customer base, extend our geographical presence and increase production. We have made huge inroads into the urban plumbing and sanitation markets while consolidating our agricultural reputation. Your company's total revenue stood at Rupees 4,397 crores and profit after tax at Rupees 237 crores. It gives me great pleasure to announce that your Board has recommended a dividend of Rupees one and half

per equity share. This will be subject to the approval of the shareholders at this AGM and deduction of income tax at source as applicable. I am happy to share we commissioned the 4<sup>th</sup> plant, this year in Talegaon, Maharashtra. With the production capacity of 12,000 metric tons per annum, we have upgraded our existing production lines to increase energy efficiencies by 7%, reducing our carbon emissions by almost 8,500 metric tons. We have increased our employee strength by 7 and half percent. Have conducted training and skill application programs for almost 100% of our current workforce. Your company has put branding and marketing initiatives in place this year that will help us stay ahead in an increasingly competitive market. Additionally, we have expanded the retail footprint across the nation. This has only been made possible by the trust and energy each one of you brings to the table. You are a strength. Our Finolex Parivaar. You will see the Finolex on the cover of this year's annual report written in multiple languages of our country. This represents our appreciation and gratitude to all of you the shareholders from across the country, whether it is making top quality pipes and fittings easier level, to our customers or whether it is quality training for employees or even if it is quality education and healthcare easily available in the villages we have adopted over years. We are making this possible through our CSR partner Mukul Madhav Foundation. Envisioned and propelled by Mrs. Ritu P Chhabria, the Managing Trustee, and Miss Gayathri Chhabria. Under their compassionate leadership, there are some commendable initiatives being implemented to uplift and upgrade the standard of benefactors and facilitating their journey towards prosperity, I would request all of you to please visit their website [www.mmmpc.in](http://www.mmmpc.in) the team has worked hard to implement extensive community care programs in the areas of education, healthcare, sanitation, skill developments, social welfare, water conservation and women empowerment. With a mission to spread hope and happiness to those who feel they don't have the right to be hopeful, I would like to thank your director Mrs. Ritu P. Chhabria and her dedicated team at Mukul Madha Foundation for their tireless work. Mr. Saurabh S. Dhanorkar Director who retains by rotation and being eligible, offers himself for reappointment. Your Board recommends his appointment. Your board also recommends reappointment of Mrs. Kanchan U. Chitale as Independent Director. Your board recommends the appointment of Mr. Ajit Venkataraman as Managing Director of the company. As mentioned in the notice of the 42<sup>nd</sup> Annual General Meeting, I would like to thank you for the trust you have put in us over the years. I would like to express my sincere appreciation to the Board of Directors of the company for the active participation and guidance. I would also like to express my heartfelt gratitude to all our investors, customers, retailers, dealers, suppliers, employees and other stakeholders for their continued support and faith in Finolex. Thank you.

**Mr. Ashutosh Kulkarni:** Thank you, Chairman. Good afternoon everyone. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Company's Management and Administration, Rule 2014, the company had a provided a free Remote E voting facility to its members through the Kfin platform. Remote E voting was commenced on 25<sup>th</sup> August, 2023 at 9:00 AM IST and concluded on 27<sup>th</sup> August, 2023 at 5:00 PM IST. The Company has appointed M/s. SVD & Associates Practicing Company secretary as scrutinizer for conducting the E voting process in fair and transparent manner. Members who have not cast their vote electronically earlier and who are participating in this meeting will have an opportunity to cast their vote during the meeting through the Insta poll voting facility provided by Kfin. Members can click on Insta poll tap on the video conference screen to complete the voting. The Statutory Auditors report and

Secretarial Auditors report of the company for the financial year ended 31<sup>st</sup> March 2023 do not contain any qualifications, observations or comments. Accordingly, the same reports are not required to be read out under the provisions of Companies Act, 2013. We now invite comments and questions from the speaker shareholders only related to performance of the company with a view to afford adequate participation to the other shareholders, we request members who have registered with the company to be as brief as possible and not to repeat the questions. We request the speakers to take not more than two minutes for the questions. Thank you, Chairman.

**Moderator:** In the session for Q&A, would request all the speaker shareholders to kindly unmute themselves when their names are called out and to ensure that they switch on their webcams as and when they desire to do so. Our first speaker is Mr. Santosh Sharaf from Calcutta. Santosh Ji, you are requested to kindly unmute yourself. Switch on your webcam, if you desire to do so.

**Mr. Santosh Kumar Sharaf:** हां जी सर एक बार मैं अपना video on कर लेता हूं। Please give me just a minute time Sir. OK. माननीय सभापति जी उपस्थिति निर्देशक मंडल के सदस्य गण अधिकारी गण कर्मचारी गण में संतोष कुमार सराफ कोलकाता से आप सभी को नमस्कार करता हूं आशा करता हूं आप अच्छे स्वास्थ्य में और अच्छे से होंगे सर, सर आपने अपनी स्पीच में काफी कुछ अच्छा बताया है और काफी कुछ कहा इसलिए मैं ज्यादा प्रश्न नहीं करूंगा बस में उन कर्मचारियों और भाई बहनों को अपना प्रकट करता हूं जो factory में काम करते हैं और अपनी कड़ी मेहनत के कारण आज हमारी company इतने आगे बढ़ रही है मैं कर्मचारियों का जो भी है उनका आभार प्रकट करते हुए उनसे यही प्रार्थना करता हूं कि आप इसी तरह लगन से काम करिए जिससे हमारी company की growth हो और आपकी भी growth होगी और साथ में हमें कब हमारी company अच्छा result दे करके अच्छा dividend देने के लिए बाध्य होगी सर इसीलिए मैं भाइयों से कहता हूं कि आप अच्छे से रहिए और अच्छे से काम करिए अभी जो आपने Dividend दिया उसके लिए मैं धन्यवाद देता हूं सर मेरे दो-तीन छोटे-छोटे प्रश्न है सर एक तो ये कि insider trading रोकने के लिए आप क्या कदम उठा रहे हैं कि आजकल काफी insider trading होती है और government काफी research कर रही है तो क्या कदम उठाने होते हैं और यह जो growth है इसको continue रखने के लिए आपका future प्लान क्या है इसके बारे में बताइएगा सर एक सर आपकी यहां पर female employee काफी कम है तो इस female empowerment को करने के लिए क्या कदम उठा रहे हैं जैसे कल मोदी जी ने कहा कि हमारा जो चंद्रयान तीन गया उसमें नारी शक्ति का बहुत बड़ा हाथ है और सत्य बात है कि नारी शक्ति हमारे जीवन में बहुत बड़ा हाथ होता है और हमारे जीवन की उपलब्धि में, इसीलिए मैं चाहूंगा कि उनसे ज्यादा से ज्यादा मौका दे जिससे हमारा देश तीसरी महाशक्ति बहुत जल्दी बने सर एक सर renewable energy के लिए आपने क्या कदम उठाया बताएंगे सर और एक rainwater harvesting के लिए आपने क्या कदम उठाए हैं इसके बारे में बताइए सर में ज्यादा कुछ नहीं कहूंगा कहने के लिए तो बहुत कुछ है लेकिन VC meeting है सर सिर्फ मैं इतना कहूंगा कि future में आप अगर एक physical meeting करते भी हैं तो साथ में एक VC का combined रखिएगा जिससे कि हम अपना आभार उन कर्मचारियों के प्रति और आपके प्रति कर सके जो अच्छा result और अच्छा performance दे रहे हैं सर तो यह हमारा कर्तव्य बनता है सर उनके प्रति हम अपना आभार प्रकट करें और सर physical के सामने एक VC meeting रखिएगा और मैं secretary और secretarial team को भी धन्यवाद देता हूं जिसमें काफी अच्छा perform किया है और सर last में आने वाले financial year 2023 -24 कि आप सभी को शुभकामनाएं देता हूं और भगवान से प्रार्थना करता हूं कि भगवान 2023-24 हमारे लिए director के लिए और जितने भी कर्मचारी गण है उनके

और उनके family के लिए अच्छे से बीतेगा healthy wealthy and prosperity के साथ व्यतीत होगा और सर में karvy के platform पर भी आभार प्रकट करता हूँ जिनकी इतनी अच्छी service है और काफी अच्छा काम करता है सर इसीलिए मैं उनका भी आभार प्रकट करता हूँ ज्यादा समय नहीं लेते हुए अपना गंतव्य समाप्त करता हूँ जय हिंद और जय भारत नमस्कार और कर्मचारियों से एक बार फिर आभार करते प्रार्थना करता हूँ कि आप अच्छे से काम करिए और अच्छा result दीजिए नमस्कार।

**Moderator:** Thank you, Mr. Santosh. We will move on to our next speaker Mr. Dinesh Gopal Das Bhatia Mr. Dinesh Gopal Das Bhatia from Mumbai. You requested to kindly unmute yourself. Switch on your webcam if you desire to do so.

**Mr. Dinesh Gopal das Bhatiya:** hello आवाज आ रहा है सर?

**Moderator :** Yes sir आ रही है।

**Mr. Dinesh Gopal das Bhatiya:** Am I audible?

**Moderator:** Yes sir you are audible

**Mr. Dinesh Gopal das Bhatiya:** अभी मैं video भी चालू किया है video आ रहा है सर?

**Moderator:** Sir. If you click on start sharing we will get your video as well Sir. In the meantime you can start with your questions Sir. Thank you.

**Mr. Dinesh Gopal Das Bhatiya:** OK ठीक है अगर video नहीं आ रहा है तो कोई वादा नहीं खाली मैं मुंबई से दिनेश भाटिया बोलता हूँ, बहुत बढ़िया सर अध्यक्ष जी first तो मैं आपको और आपकी entire team को धन्यवाद कहता हूँ congratulations बहुत बढ़िया काम कर रहे हैं आप और बहुत बढ़िया result है और बहुत तरक्की हमारी company कर रही है जो हमारे share के भाव के ऊपर दिखाई देता है हमारा ₹2 का share जो है आज 220 रुपए पर बंद हुआ है जो एक company की आगे बढ़ाने के लिए दिखा रहे हैं ठीक है कंपनी प्रगतिमय है क्यों की हम देखते है की जो शेयर बाजार जो है वह कंपनी की परशिष है कंपनी कहां जा रही है अगर progressive company है तो उसका भाव ₹2 का उसके कारण ही ₹2 का share ₹220 आज हम मानता है कि हमारा company का जो भाव यह उच्च है जो साल में 131 रुपए को था और उच्च 222 रुपए 80 पैसा आज हुआ है तो हमें यह लगता है कि कुछ share बाजार को भी आप declare करने वाले हैं ऐसा लग रहा है जिसके कारण उच्च के भाव है बाकी जो कुछ भी करें आप अच्छा ही कर रहे हैं मेरा बस एक ही चीज आपको suggest करना था कि अगर हो सके तो आप जो हमारे ₹2 का share है उसको ₹1 का share कर दीजिए क्योंकि अगर आप ₹1 करेंगे तो हमारा छोटा बोनस जैसा एक का दो share हो जाएगा और हमारे balance sheet में कोई reflection नहीं आएगा हमारा balance sheet तो ऐसा ही रहेगा कोई फर्क नहीं पड़ेगा और कोई reserve कोई सी चीज को effect नहीं होगा खाली share की संख्या बढ़ेगी और अगर share की संख्या अगर बढ़ेगी तो हमारा जो share का भाव है वह अगले साल ₹1 की जगह ₹200 ऊपर चला जाएगा क्योंकि हम देख रहे हैं कि 50% तक भाव आज बढ़ गया है last year हमारा जो closing भाव था meeting के time पर वह 152 था जो आज 220 रुपए है तो 50 टका जितना बढ़ गया तो ऐसा हम मानते हैं कि अगर आप ₹1 का करेंगे तो हमें sure है कि यह हमारा ₹1 का शेयर भी ₹200 तक पहुंच जाएगा बाकी हर एक चीज में आपकी प्रगति है हम तो खुश हैं और हर एक resolution में आपके साथ हैं और आपका secretarial department भी बहुत बढ़िया है जो हमें

refresh किया हमें बहुत अच्छी बात है खुशी होती है जैसे आप जैसे हमारा shareholder का खयाल रखते हैं कि shareholder का ज्यादा से ज्यादा लाभ मिले और खुश रहे shareholder और secretarial department भी ज्यादा से ज्यादा लोग meeting में आए ऐसा कर रहे हैं तो यह बहुत अच्छी बात है खुशी है हमें कि हम अच्छी company के shareholder है हम हर एक resolution में साथ देता हूं मेरा हर एक resolution में साथ है thank you all the best और अगर आप factory visit जैसा कुछ करें तो हमें invite करने की कोशिश करें thank you, all the best.

**Moderator:** Thank you dinesh ji, we will move on to our next speaker Mr. Hariram Chaudhari from Mumbai Mr. Hariram Chaudhari from Mumbai you are requested to kindly and mute yourself switch on your webcam if you desire to do so and proceed with asking the question please Mr. Hari Ram Chaudhary. Unfortunately we have not received any input from Mr. Hari Ram Chaudhary. So we'll move on to our next speaker Mr. Bimal Kumar Agarwal from Mumbai. Mr. Bimal Kumar Agarwal, you are requested to kindly unmute yourself.

**Mr. Bimal Kumar Agarwal:** Can you, can you hear me?

**Moderator:** Yes, Sir. We are able to hear you.

**Mr. Bimal Kumar Agarwal:** Namaste to everyone and good evening to everyone.

First of all, I'll thank the Company Secretary, esteem management staff and the shareholder. The company secretary is very helpful. At least five times they have called me today and yesterday also they called, Sunday also they are working I think so, that's see and Chairman is already given a beautiful picture about the company. I got nothing to say and always have the meeting online, VC meeting because now it's a digital world also and only try to arrange a factory visit. As we are speaking from Bombay, some of the Bombay shareholders have joined. You can keep a bus from there also. That's all from me. Thank you very much.

**Moderator:** Thank you, Mr. Vimal. We will move on to our next speaker, Mr. Ayush Gupta from Delhi. Mr. Ayush Gupta, you requested to kindly unmute

**Mr. Ayush Gupta:** Hello yes Chairman Sir क्या आप मुझे सुन पा रहे हैं?

**Mr. Ayush Gupta:** Chairman सर में आयुष गुप्ता दिल्ली से आपका और सभी Board Members का स्वागत करता हूं सर company के काफी पुराने shareholder है इस meeting में पहली बार आपसे जुड़ने का अवसर मिल रहा है सर excellent speech हो रही थी जिसमें आपने सब कुछ company के बारे में हमें brief किया सर बाकी कुछ पूछने की जरूरत बचती नहीं है सर हम अपनी sector के leading player है सर लेकिन सर एक प्यार आपसे है तो थोड़ी सी शिकायत भी है सर सर पिछले एक या दो साल में जो इसी field में काम करती हुई कंपनियां है उनकी performance हमारी performance में जरूर थोड़ा ठहराव आया है लेकिन आप पर भरोसा था विश्वास था हमने उसे समय को पीछे छोड़ दिया है और हम अच्छे result दे रहे हैं और हर एक dividend भी दे रहे हैं सर सर हमारी सरकार बहुत सारी scheme लेकर के आ रही है नल से जल तो उसको लेकर के हमारी क्या planning है और current financial year on next financial year की हमारी क्या guidance रहेगी सर कोई मुझे नाम नहीं पता है कुछ raw material हम बनाते थे उसकी post का कुछ effect हमारे profit में आया था सर उसको लेकर के आप क्या कहना चाहेंगे और

किस तरीके का वहां पर सुधार हो रहा है सर बाकी सर आपकी leadership पर विश्वास है और भरोसा है यह leadership बनी रहेगी और एक team work की तरह काम करेंगे अच्छे result भी हमें मिलेंगे सर मैं secretarial का बहुत-बहुत धन्यवाद करूंगा जिन्होंने मुझे इस portal पर जुड़ने का अवसर दिया सर मैं दिल्ली से बोल रहा हूँ AGM करेंगे तो आपसे आशा इसी portal पर है जिससे pan India के Shareholder आपसे जुड़ पाए एक बार फिर मैं secretarial और आपकी पूरी team को धन्यवाद दूंगा जिसने मुझे इस portal पर जोड़ने का अवसर दिया thank you sir.

**Moderator:** Thank you Mr. Ayush. We'll move on to our next speaker Mr. Kirti Shah from Mumbai. Kirti shah for there, kindly request you to unmute yourself, switch on your webcam and proceed with asking the question, please.

Mr. Kirti Shah from Mumbai, We have not received any input from Mr. Kirthi shah. So we'll move on to our next speaker Mr. Hiranand Kothwani from Kalyan. Mr. Hiranand Kothwani.

**Mr. Hiranand Kothwani:** Yeah, yeah namaste, I'm audible.

**Moderator:** Yes, Sir. You are audible, Sir.

**Mr. Hiranand Kothwani :** OK, OK. It's a great pleasure to join you, and Jai Jhulelal, it's a very dear to company. Certainly. I asked one question. What is the reason our earning per share from 16.98 came to 3.82 and profit more than 1,000 crore has reduced. It is a cause of concern. Your speech was good. Your balance sheet is good. Well, I still have failed to understand with compared to last year our earning per share is reduced and our profitability has been reduced. Though there is a huge work and expansion. What are the reason gentlemen, other your company, the Secretarial department is good, no issue with compliance, very nice. But one thing is certain, that dividend is less. Your growth and what is your order position, how much expansion is still there internal approval and any depth you are taking or any other means of resources please have capital utilization and order particularly this हर घर जल just I visited One of the site, there was a Supreme Industries pipe was there, to ask why this supreme? Why not Finolex? He said sir tender पर लिखा रहता है कि आप यह उसे करें यह standard का use करें there's nothing more to add and good luck and future well-being of the organization. First, only one thing was there while our profit has reduced this year. Thank you, gentlemen. Good luck.

**Moderator:** Thank you, Mr. Hiranand. We will move on to our next speaker, Mr. Ramesh Shankar Golla from Hyderabad. Mr. Ramesh Shankar, you are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and proceed with asking the question. Please. Mr. Ramesh Shankar Golla, from Hyderabad. Unfortunately, we have not received any input from Mr. Ramesh Shankar Golla. So we'll move on to our next speaker, Mr. Yusuf Yunus Rangwala from Mumbai.

**Mr. Yusuf Yunus Rangwala:** Yes sir Good evening, Sir. Good evening, Sir. Mumbai से Yusuf Rangwala, Sir. Sir पहली बार आपसे मुलाकात हो रही है दिलों के फूलों की खुशबू जिस तरह chairman सर आपके पीछे money plant मुझे लग रहा है सर देखिए अपनी company का नाम Finolex Industries

है, सर अपनी company का नाम Finolex Industries है और आपके पीछे Money plant दिख रहा है इसका मतलब अपना पैसा आज अपने भाटिया सर ने बोला कि अपना 160 का 220 के ऊपर हो गया है क्यों क्योंकि अपनी बहुत अच्छी कंपनी है सर Finolex pipes और Finolex industries जिसको कोई जरूरत नहीं है सर हमारे घर में सब आपका ही product use करते हैं सर में जानना चाहता हूं कि आपका में competition कौन है सर who is the main competition in the business? और सर जानना चाहता हूं की total number का staff कितना है chairman साहब मैं विमल साहब को join करता हूं हो सके तो छोटा सा बस arrange कर दिए दादर से कर तो हम आपसे सर मुलाकात कर पाएंगे सर chairman सर हमने आपसे सुना है कि आप gate हैं just like 5 star, is it true, sir I hear from A friend की आपका जो office है 5 star से भी कम है सर is it true or not if I am wrong पूछता हु तो मुझे माफ करना सर Chairman सर आपके लिए एक छोटा सा शेर पेश करना चाहता हूं अपने से दिलों से दूरी है अपनों की दिलों की दूरी है क्या करें सर जब से यह कोरोना आया है तब से हम सिर्फ आपसे phone पर बात कर सकते हैं chairman सर आपसे रूबरू होना चाहता हूं और मैं आपको मैं गुलदस्ता देना चाहता हूं Chairman सर और मैं Chairman सर मैं आपका photo रखा हूं जब भी आपकी याद आएगी तो मैं आपका photo देखेगा तो आपके photo में देख करके मैं याद करते रहूंगा सर क्योंकि आपकी हंसी इतनी अच्छी है सर you are one of the leader, tempo pipe जो अपना और गुरानपुर का है उनका और अपना कोई competition है सर thank you वेरी मच सर छोटा सा शेर पेश करना चाहता हूं फूलों की खुशबू कलियों की बाहर और अपना का साथ और हो सके तो सर मुझे आपका पुणे की कोई अच्छी sweet भेजना sir it is humble request sir कुछ मीठा हो जाए सर, मीठा हो जाए सर और आपका चेहरा हंसता रहे सर बस अल्लाह के पास मैं दुआ करता हूं और karvy people की जितनी धन्यवाद करो उतनी कम है सर they are very hard working people sir thank you very much sir khuda hafis sir.

**Moderator:** Thank you Mr. Yusuf Yunus Rangwala and now we will move on to our next speaker Jaydeep Bakshi from Kolkata, Jaydeep Bakshi may I request you to kindly unmute yourself.

**Mr. Jaydeep Bakshi:** very good evening, Chairman and Board of Directors myself, Jaideep Bakshi connecting from the city of Kolkata. Thanks to our company Secretary for giving me an opportunity to express my view and also keeping in regular touch with our conducting this video conference and also to our karvy team for conducting this video conference in a smooth manner. And also to a moderator. Sir, initial speech describe well about our company performance. Sir, just want to know how are we position from our peers and what is the difference from them and what is our future Capex plan and regarding R&D, what are the future growth plans and any new products in the pipeline. And regarding carbon neutralizations, what is our program for reducing the fossil fuel and bringing back the smile to the next generation because they are the future of our earth and investment in this energy saving equipment's and any collaboration or tie up of further growth or development of our products. Nothing to add more I hope Sir, all the best of our company and if Sir you are arranging for any visit to our plant kindly to include my name, kindly inform us. Thank you Sir and all the best and happy festive season around the corner. Thank you Sir.

**Moderator:** Thank you. Jaydeep ji, we will move on to our next speaker Mr. Rajesh Kevalram Chainani from Mumbai. Mr. Rajesh, you are requested to kindly unmute yourself switch on your webcam if you desire to do so and proceed with asking the question. Please, Mr. Rajesh Kevalram



Chainani from Mumbai. We have not received any input from Mr. Rajesh Kevalram. So we'll move on to our next speaker, Miss Celestian Elizabeth Mascarenhas from Mumbai.

**Mrs. Celestian Elizabeth Mascarenhas:** Hello. Am I audible?

**Moderator:** Yes, ma'am.

**Celestian Elizabeth Mascarenhas:** Respected Chairman Mr. Prakash Chabbaria, other members of the board, my dear fellow shareholders who are attending this VC meeting. I am Mrs. CE Mascarenhas attending from Mumbai. First of all, I thank the company's secretary Mr. Ashutosh B Kulkarni and his team for sending me an E annual report and also registering me as a speaker. Thanks so much, and also thank you to the Kfin Tech team which has given us this platform to speak. Thanks a lot. Next is with whatever difficult condition, I am happy a dividend of rupees 1.50. So that shows that there is always some income to the shareholders. So and we only lookout for very good market cap and it has gone up. So that is the strength of the company. Now congratulations for all the awards and accolades received during the years. I also appreciate the CSR work done. Now my queries a lot of trust is given on ESG. Even our balance sheet has devoted a lot of pages on ESG. But my question is have we gone for rating of the ESG? If so, which is the rating agency and what is our score? And if the score is very good, do we have any intention of listing it on a dedicated ESG platform? My next question is we are the largest manufacturers of PVC pipes and fittings. We have 4 plants total in India. What is the capacity utilization, average capacity utilization of these plants? My next question is we have, we make pipes and fittings, CPVC pipes and fittings, sewerage pipes. SWR pipes and fittings, agricultural PVC, U pipes and fitting, column pipes, casing pipes. I would like to know which of these we have good demand and are of the future and where we get the good margins, increased margins. Now my 4<sup>th</sup> question is employers. We have total 1,478 that as per March 31<sup>st</sup>. I would like to know what is the average age and the attrition level. Lastly, our FE earnings is absolutely nil, but our FE outgo is 1,54,525 I would like to know why our outgo is so much. So what are we importing that much Rest I have supported all the resolutions. I wish my company all the best. I endorsed the views of some few earlier shareholders, some plant visit or some goodies or anything do share with me also if it is so with this I thank you very much for giving me this patient hearing. Thanks once again.

**Moderator:** Thank you, Mrs. Mascarenhas. We will move on to our next speaker, Mr. Manjeet Singh from Delhi. Mr. Manjeet Singh, you requested to kindly unmute yourselves, show on your webcam. If you desire to do so and proceed with asking the question, please. Mr. Manjeet Singh from Delhi.

**Mr. Manjeet Singh:** Hello sir Am i audible?

**Moderator:** Sir. Yes, Sir. You are audible,

**Mr. Manjeet Singh:** Sir. Am i audible?

**Moderator:** Yes, Sir. You are audible.

**Mr. Manjeet Singh:** मेरी आवाज आ रही है आपको?

**Moderator :** हां जी मनजीत जी आपकी आवाज आ रही है।

**Mr. Manjeet Singh:** आवाज आ रही है सर मेरी आपको?

**Moderator:** Haan ji

**Mr. Manjeet Singh:** Hello, Finolex pipe Key management team, secretarial team or my Co shareholder मैं सभी का स्वागत करता हूँ दिल्ली से आप जिस तरीके से company को चला रहे हैं आपके दिशा निर्देश में हमें उम्मीद है कि आने वाले time में और तरक्की आप देंगे इस कंपनी को सर हम अपनी total income का research and development पर क्या खर्च करते हैं थोड़ा आप इस बारे में बताइए और जो हमारी order book है उसे हिसाब से हमारे plant आने वाले time में कोई expansion की उम्मीद अगर हम आपसे करें तो ऐसा कुछ होगा तो आप बताएं और confirm करें आपसे चाहेंगे कि कुछ pipe के demand किस तरीके से आ रही है जिस तरह से भारत में विस्तार हो रहा है infrastructure का तो कोई defence sector से भी हमारे पास demand आ रही है अगर इस तरीके के order हमें आ रहे हैं कोई तो आप हमें बताइए और किस तरीके से आप कार्य कर रहे हैं हमारी दिल्ली के कई shareholder आपके अंदर निवेश किया उन्होंने Company में mister गगन कुमार आपसे बात करना चाहेंगे।

**Mr. Gagan Kumar:** Sir best of luck for the future target of our company thank you so much for giving me the opportunity on this portal sir thank you.

**Moderator:** Thank you, Mr. Manjeet and Gagan. We will move on to our next speaker Mr. Anil Babu Bhai Mehta from Mumbai. Mr. Anil Babu Bhai Mehta from Mumbai. You are requested to kindly unmute yourself switch on your webcam if you desire to do so and proceed with asking the question please. We have not received any input from Mr. Anil Babu Bhai. So we will move on to our next speaker Ms. Bharti Saraf from North 24 Parganas, Ms. Bharti Saraf. You are requested to kindly unmute yourself. Switch on your webcam if you desire to do so and proceed with asking the question Please, we have not received any input from Ms. Bharti Sharaf. So we'll move on to our last speaker Mr. Om Prakash Kejriwal from Delhi. Mr. Om Prakash, you requested to kindly unmute yourself switch on your webcam.

**Mr. Om Prakash Kejriwal:** Am I audible, Sir?

**Moderator :** Yes, you are audible, Sir. Thank you.

**Mr. Om Prakash Kejriwal :** Thank you, Just a minute. I am starting my video. Yes, I'm ready. Good evening, Sir ji and good evening everybody. Attending this AGM myself, Om Prakash Kejriwal, your equity shareholder from Kolkata, a city of joy. Thank you sir ji for providing me the platform to speak something before you. Thanks to our secretarial department for helping me in registration as a speaker shareholder. Sir ji, this is my first AGM only due to virtual though I'm your very old shareholder, जवानी से बुढ़ापा आ गया है सर 20 Plus में खरीदा था और 60 plus की age हो गई है अब आप समझ लीजिए कि हम आपके कितने बड़े fan है सर जी it is just an opportunity for me to join this AGM sitting in Kolkata. New technology का कमाल है सर जी. If possible, please follow this virtual AGM in next year also so that more and more shareholders could join our AGM and express their views. Sir Ji today my dream come true. I could attend this AGM only support of your secretarial department especially thanks to Chaitanya Ji to phone me and taking my knot, Sir ji in 22,023 our revenue is down, Our net profit is down compared to previous year. What is the reason?

Sir ji, construction industry is booming in India but we are unable to take advantage of this boom. In coming quarters, What is our expectation for revenue and profit, Sir ji I feel much pain when I have to buy the product of Supreme Industries for my use, for my personal use because there is no supply of your product in my area. Can you please improve your marketing so that we could get our company's product in every area of Eastern India? Certainly I am a big fan of your company. That's why I'm holding the shares since last 40 years. I'm just waiting when our company will become like Supreme Industries. Your dividend payout was always handsome except current year 2023 only 1.5 per share or will we increase our dividend in 23-24? What is our product portfolio? Is there any plan to enter into home furniture business or some other business? Sir ji how our raising business is doing, is there still loss in raising business? Sir ji what is our Capex plan for next 2-3 years? Sir ji the promoter holding is 52.47%. Is there any plan to increase our promoter holding, Sir ji, I'm your very old shareholder. So please organize a factory visit so that we can see our plant, how it is running. At last. Sir ji please maintain your smile and be cheerful. We are always with you as a long term investor. Thank you, Ritu Madam for doing a lot of business, lot of work for betterment of society and human beings. Thank you. Thank you, Sir ji

**Moderator:** Thank you, Mr. Om Prakash Ji, Chairman. Sir. With that we have provided an opportunity to every individual who are registered as a speaker. We come to the end of the session and hand it back to the Board to continue with the rest of the session. Thank you.

**Mr. Prakash P. Chhabria:** Thank you, so should I take a start answering the questions? Moderator.

**Moderator :** Yes, Sir, please.

**Mr. Prakash P. Chhabria:** My voice is audible,

**Moderator:** Yes Sir. It is audible, Sir.

**Prakash P. Chhabria:** Great. Thank you. So thank you everybody. Thank you all, my dear shareholders. You know, for us and especially, I mean if my father was here today, my late father, unfortunately he's not here. So we'll miss him. He would have been very, very happy to interact with all of you virtually, and the reason I say virtually is because earlier days when virtual was not allowed, you know, it was difficult for everybody to travel, to come to Pune and then you know, they would write letters or Just letters and getting a letter is very nice, but the communication of a letter is very passive. You know, it's not interactive. And my father used to love, he used to love interacting with the shareholders. He would love to interact with the salesman, he would love to interact with the dealers. He would have a personal relationship with everybody. So he is really the one person who is missing out on this technology. Like most of you have said that we should continue with this virtual I also believe that we should continue, but again we have to follow the law of the land. So if they allow us, then definitely we will keep continuing with this virtual thing and it is really dynamic and we should move on with technology, why not. If technology is moving on, there is something called zoom calls, virtual calls we should also accept in and that's the way of life. Now I'll start by answering the questions in the line and I will try to avoid the repeating or answering the same questions if you don't mind. First of all, I would like to thank all of you, my dear shareholders for being here today for taking the time out for registering. And as you will see as I had mentioned in my speech also the cover of a balance sheet today is in various languages. It

says finolex in various languages, 16 languages. And the reason we have done that is because of our way of saying thank you to all of you, our dear shareholders who are spread across the country. You know, I'm very happy that A, we have shareholders who are across the country. B, we have shareholders who have been there since like 40 years. Like Mr. Kejriwal said, he's been there for 40 years. And see the most important thing which I find is. Yes, we need to have big shareholders, we need to have everything. But I'm most happy is that we have the faith of even the smallest shareholders in our country that gives me a lot of joy, gives me a lot of pleasure. Certain questions you asked, I'll answer now you mentioned something about insider trading. I think the company is properly geared up our auditors, our board. it comes up to the board level. It is reviewed every quarter. The systems are in place. So we are continuously improving. Insider trading is of concern to us. It's a very important point and we are always, we are always looking at growing our business. We are very focused, we are focused on what we do. We keep getting suggestions on doing various other products, but I find that the population of our country. The physical size of our country is so huge that what we are doing and what the whole pipe industry doing right now is still just the tip of the iceberg. There is a lot of growth potential like one of the examples you said was नल-जीवन So there are a lot of these schemes, not only government driven, but even private driven, private demand which is there in the market and like there was a complaint that our products are not available let's say in certain parts of Calcutta. The reason they're not available is not because we don't want to be there, but the reason they're not available is because the country is so huge, the expense is so huge and the market is growing at such a huge pace that we keep on improving and getting better and better and bigger and bigger. Now you will wonder when I keep using these words, better and bigger, whereas if you'll see the numbers, the revenue number and the profitability has come down. These are two different parts of our company, many of you who are our old shareholders or even. New ones, when you see our first page of our balance sheet where we have shown the 10 year timeline, you will see two things about our company. One is our top line and our profit are very cyclical and the reason they're cyclical is because our products are raw material and our selling product are all cyclical. They're international based, international as in the PVC price and international as in the dollar rupee price. So we work on both. But what you will also see is A, your company is growing in volume terms. So we measure ourselves in volume terms and we grow in our volume terms every year at minimum 20% compounded every year. On top of that, your company is debt free, purely debt free. There is a certain amount of debt you will see which is just buyers credit, but net debt we are zero and we have been net debt I think close to for more than 10 years. So these are the most positive points of your company. Certain members also raise the questions about female employees, female empowerment, definitely we are with it. If you'll see our Board of Directors, if you'll see our employees, our new plant we started about 4-5 months ago, the 1<sup>st</sup> shift is 90% women. Slowly they are going to move it into second shift also, but they're doing it step by step. The plant is new, they've started it and the first shift like I said, 90% is women. So we are in that direction and we will keep striving for it. We are into renewable energy, rainwater harvesting and we keep doing changes, but our power requirement is huge. We consume close to about 25-26 megawatts. So whatever changes we do does not necessarily come out or does not necessarily create an impact in day one or in year one. It is a slow process. We are already on it and we are going to strive to get to a higher and higher number. Many of the shareholders mentioned about how they are happy with the share price performance. My friend share price is a very

important point for us also. But you know as a company we work hard, we strive hard to grow our business to grow in volume terms and it is your faith that gives us that confidence to grow more. And it we were talking about the top line and the profitability. As you'll notice for the last maybe even 20 years, quarter on quarter, year on year, the company has scalability in the top line and the profit. There are few reasons for that.

- A. If you'll see our JT closes for about three to four months because we have a fare as the jetty, Our JT imports are created or material and prior to the closure of the JT, we have to hold on to inventory. The prices of inventory move, the prices of the finished product moves and the spread between the two is where the profiting lies. And if you'll see in each of our investor presentations, in each of our balance sheets, we always show the prices, the movement and the volumes and that is where we come out very transparently and very clearly on the profit department like I mentioned earlier. Hence, we always focus on bottom line that is the volume. There has to be volume growth in the company quarter on quarter, year on year and that has always been our focus and to be able to do that, we do grow geographically within our existing geographies also we go into territories, newer territories in depth and try and attempt to add more and more retailers, more and more salesmen and as you saw in the presentation, more and more blending. we do not do government orders. So therefore we do not have this concept of order booking. Our order bookings are not for months or years together. It is a very narrow band and we work on day-to-day basis, week to week basis.

Yusuf bhai, thank you आपने जो शायरी कही जो कविता कही धन्यवाद Thank you very, very much. We have, we have a competition. Yes, we have a lot of competition. India, luckily, we are best blessed with the lot of competition and I say we are blessed because the more the competition, the more us. It keeps us on our toes. It keeps the whole team on our toes. And being Pan India, we are on our toes throughout the country. And like one of the shareholders mentioned, कि लोग तो Sunday को भी काम कर रहे थे But that is a typical finolex day somebody or the other, some department or other is working on a Sunday also And as you must be all knowing, most, actually all, not most. Actually all our plants work 365 days, basically seven days a week. Yes, we do have shutdowns. We do have planned shutdown. Sometimes it's a four shutdown agreed. But otherwise our philosophy is to run throughout. One question was what capacity utilization do we have. Capacity utilization also does vary depending on the season. As you all know, monsoon is a season in our country where most of the sales come down and the reasons, especially in pipes and fittings, the sales come down because when it rains, people are not able to install pipes. Our brothers, the farmers or our brothers the plumbers find it very difficult to work during monsoon. So therefore, every year for as many years I can remember, every year in monsoon, there will come a slag, there will come a lull and it is a part of the life that the lull will come and then again the growth will come. So during that lull. The company utilizes that time for forced maintenance, sometimes for inventory stocking, very important things. So the whole team works on different aspects to go through that period of time. Many of you mentioned about visiting the plant. I'm sure the Company Secretary will make a note of all this and see how best we can do and get back to all of you. Mrs. Mascarenes. Madam, thank you very much About the ESG rating. We have been working at ESG. The team has been working at ESG. I will request Mr. Niraj Kedia to write to you and give you full proper details about our rating, about our rating agencies and what we have achieved. You also mentioned about why do we

have so much foreign outgo whereas the inflow is not much. Madam, the reason we have foreign outgo is because most of our raw material is imported. Most of it is not manufactured in India. So we have to import it. So it comes into our JT at Ratnagiri. It was imported by our private Priceline to our private tanks and then it is pumped to our plant. We do not have any exports and one of the reasons the company doesn't export is because like I mentioned, our country is so huge. Our demand is so huge. To be able to satisfy that, we keep growing at more than 20% per year on volume basis. Our targets going ahead is going to be better than 20%. The team is working on it already. So keeping all of that in mind, we feel it is better to keep focusing on our country and keep getting better and better. Our dividend philosophy has always been in line with the market, to be in line with the feelings of our shareholders. And you'll see the reflection of that also comes in the company's commitment to CSR. Our CSR spend I think is always been much more than what is the norm. And the reason we do it is because of two things, A. we have a very good team leader. Mrs. Ritu Chabbria, who's the Chairperson of the CSR committee and B. as a company which was founded by my late father and which still runs on his principles of quality of the market. About the customer was also one more thing and that was to look after the society. To look after the society is very easy to say, but to look after the society day-to-day, week to week, minute by minute, which the team does, the Mukul Madhav Foundation and the Finolex team does, is very commendable. They give hope, they give hope to those people who don't even feel they have the right to be hopeful. And this is very commendable and I'm very happy about that. And if you'll see our team really goes in depth in explaining what they do in the balance sheet. I have also in my speech said and I'll repeat it once again, I would request all of you to please visit their website or visit the Finolex Pipes website also where you'll find a link of MMPC in. With these few words, I think I've been able to answer most of the questions. Like I mentioned, we are not getting into other products other than our business Capex. Somebody asked a question of Capex. Our Capex philosophy has always been to keep on adding per quarter, per year. And the reason we do it is because it helps A, the cash flow. B, bigger than that, it helps the absorption into the market. If you have a very big Capex, A. it affects the cash flow and B, absorption in the market will never be full on immediately, which means you will do it. You will have to wait for quarters on quarters for it to get absorbed. So instead of doing that, we do our capacity expansions quarterly. The board reviews it annually, the board reviews it quarterly and as per the board sanctions, the team does a very good job. I must comment they do a very good job in meeting the targets. We have the senior leadership over here, Mr. Ajit Venkataraman, Soumya Chakrabarti, Niraj Kedia, Ashutosh Kulkarni and Gayatri Chabbria who do a fantastic job. The team is doing a fantastic job and it is very commendable on the expansion, what they have done on the new markets, on the new reaches, on the new branding and adoption of new technology. Yes, you would have noticed that my interaction has been a little bit off and on, but I don't think we can blame anybody except but for the Wi-Fi. So that is something we can't really blame ourselves or anybody. But the advantage is even though one can get disconnected, you can reconnect within a few minutes. So that is the advantage of technology. With these few words, I would like to end the Q&A session. I hope most of your questions are answered. The Secretarial Department will correspond on remaining queries, if any. I would request you please to write to them and I would also request the department, our Secretarial Department to go through the questions and my answers to see in case something has been left behind, the results of the votes cast through Remote E voting and Insta poll, that is voting at the AGM along with the Scrutinize

Report shall be intimated to the stock exchanges and also will be published on the website of the Company and KFin within two working days from the conclusion of the AGM, Shareholders may view the AGM results from these websites. Members may note that a time period of 15 minutes would be available for voting through the Insta poll through Kfin platform, after which the meetings should stand concluded. I would like to thank the members, extended family of dealers, suppliers, financial institutions and customers for their continuing faith in us. I would also like to thank Kfin, Secretarial, IT and communication team of Finolex for the smooth conduct of this 42<sup>nd</sup> AGM. Before I conclude, I would like to once again thank all the employees of Finolex परिवार, all our dear shareholders and last but not the least, all my fellow Board members. I now conclude this meeting. Thank you once again. Namaskar.