

FIL/SEC/SEs/2020-21/79

19th September, 2020

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

Sub : Summary of Proceedings at 39th Annual General Meeting of the Company

Ref : Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

This is to inform you that the 39th Annual General Meeting (AGM) of the Company was held on Saturday, 19th September, 2020 at 11.00 a.m. through Video Conferencing in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, as per the Notice dated 23rd June, 2020 and all items of business were transacted thereat.

In terms of the subject referred Regulation, enclosed herewith is a summary of proceedings of the 39th AGM.

The speech delivered by the Executive Chairman at the said AGM, is also enclosed. The same is also available at the Company's website www.finolexpipes.com.

You are requested to kindly take the above on your records.

Thanking you,

Yours truly,

For **Finolex Industries Limited**

Anil Whabi
Director (Finance) & CFO
DIN : 00142052

Encl: As above

FINOLEX INDUSTRIES LIMITED

Summary of proceedings of the 39th Annual General Meeting

The 39th Annual General Meeting (AGM) of the members of Finolex Industries Limited (the “Company”) was held on Saturday, 19th September, 2020 commenced at 11.00 a.m. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OVAM). The AGM was held in compliance with the General Circular numbers 14/2020, 17/2020, 20/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) and as per the applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

Mr. Anil Whabi, Director Finance & Chief Financial Officer welcomed the members to the AGM and briefed the certain points relating to the participation at the AGM through VC.

Mr. Prakash P. Chhabria, Executive Chairman of the Company occupied the chair and welcomed the members of the Company. The Executive Chairman informed that the Annual General Meeting (AGM) was held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The requisite quorum being present, the Executive Chairman called the AGM to order. All the Directors were present in the AGM.

Mr. Pradeep R. Rathi, Chairman of Audit Committee, Ms. Bhumika L. Batra, Chairperson of Nomination & Remuneration Committee and Mr. Anami N. Roy, Chairman of Stakeholders’ Relationship Committee were present at the AGM. Mr. Abhijeet Bhagwat, Partner, M/s. P. G. Bhagwat, Chartered Accountants, Statutory Auditors and Mr. S. V. Deulkar, Partner SVD & Associates, Secretarial Auditors were also present at the AGM through VC.

The Executive Chairman thereafter delivered the speech. The Executive Chairman then invited members to offer any comments or raise queries/questions on the Company’s performance during the year. The Executive Chairman thereafter replied to their questions & clarifications sought by members.

The Executive Chairman informed the members that pursuant to the provisions of Section 108 of the Companies Act, 2013 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company had provided Members the facility to cast their vote electronically in respect of all business set forth in the AGM Notice. The remote e-voting facility was kept open for a period of 3 (three) days i.e. between Wednesday, 16th September, 2020 (9.00 a.m.) to Friday, 18th September, 2020, (5.00 p.m.). Members who were present at the AGM and had not availed

remote e-voting facility were provided an opportunity to cast their votes at the AGM through Instapoll facility.

The Executive Chairman informed that the Board of Directors had appointed Mr. S. V. Deulkar, Partner or Mr. Sridhar Mudaliar, Partner of M/s. SVD & Associates, Company Secretaries, Pune as the Scrutinizer to scrutinize the remote e-voting and Instapoll process in a fair and transparent manner.

The following items of business as set out in the Notice of AGM dated 23rd June, 2020 were transacted at the AGM:

Sr. No.	Particulars	Type of Resolution
Ordinary Business		
1	To consider and adopt standalone and consolidated audited financial statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Auditors and the Board of Directors thereon.	Ordinary
2	To consider the interim dividend of ₹ 10/- (i.e. 100%) per equity share of ₹ 10/- each declared by the Board of Directors of the Company at its meeting held on 27th February, 2020 as final dividend for the financial year ended 31st March, 2020.	Ordinary
3	To appoint a Director in place of Mr. Anil V. Whabi (DIN: 00142052), who retires by rotation, and being eligible, offers himself for re-appointment.	Ordinary
Special Business		
4	To ratify a consolidated remuneration of ₹ 3,20,000/- (Rupees three lakh twenty thousand only) to be paid to M/s. S. R. Bhargave & Co., Cost Accountants, Pune, (Firm Registration No. 000218) the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year ending 31st March, 2021.	Ordinary
5	To give approval for appointment of Ms. Bhumika L. Batra (DIN: 03502004) as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years on the Board of the Company effective from 20th September, 2019 to 19th September, 2024.	Ordinary
6	To give approval for appointment of Dr. Deepak R. Parikh (DIN: 06504537) as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years on the Board of the Company effective from 20th September, 2019 to 19th September, 2024.	Ordinary

7	To give approval for appointment of Mr. Pradeep R. Rathi (DIN: 00018577) as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years on the Board of the Company effective from 20th September, 2019 to 19th September, 2024.	Ordinary
8	To give approval for appointment of Mr. Anami N. Roy (DIN: 01361110) as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years on the Board of the Company effective from 20th September, 2019 to 19th September, 2024.	Ordinary
9	To give approval for issuing offer(s) or invitation(s) to subscribe to debt securities as defined under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, including Non-Convertible Debentures (“NCDs”) for a sum not exceeding ₹ 2,50,00,00,000/- (Rupees Two Hundred Fifty Crore only) on a private placement basis in one or more tranches during a period of one year from the date of passing of this resolution within the overall borrowing limits of the Company, as approved by the members, from time to time.	Special

The Executive Chairman requested those members who could not participated though remote e-voting to cast their votes on the above business items using Instapoll facility.

The Executive Chairman informed the members that the results of the voting will be announced within 48 hours and will be uploaded on the website of the Company and on the website of KFin Technologies Private Limited and will also be communicated to the Stock Exchanges alongwith the Scrutinizer’s Report.

The Executive Chairman thanked the members and Directors for attending and participating at the AGM.

The Instapoll facility was kept open for the next 15 minutes to enable the Members to cast their vote.

Thereafter, AGM was concluded at 12.12 p.m. (IST).

For **Finolex Industries Limited**

Date: 19th September, 2020
Place: Pune

Anil Whabi
Director (Finance) & CFO
DIN : 00142052

Chairman's Speech

During FY 2019-20, the global economy, as well as the Indian economy, was impacted by factors which resulted in an overall slowdown. Your company's market was also impacted by these forces. They brought about agricultural distress and slow growth of infrastructure which consequently impacted the growth rate of the Pipes and Fittings business. These challenges have only reinforced our intent, vision and focus.

Bearing in mind these unique circumstances, your company has recorded a decline of 3.4% in total revenue from operations to ₹ 2,986 crores as compared to ₹ 3,091 crores in the previous year. The bottom line has registered a drop of 7.3% to reach ₹ 324 crores with a margin of 10.9%.

Your Company has declared and paid interim dividend of ₹ 10.00 per equity share. The dividend payout including distribution tax amounted to ₹ 149.60 crores with a payout ratio of 46%. Your Board of Directors have recommended the payment of the said interim dividend as final dividend for year ended 31st March, 2020.

This year the COVID-19 pandemic has demonstrated the interconnected nature of our world – and that no one is safe until everyone is safe. Only by acting in solidarity can communities save lives and overcome the devastating socio-economic impacts of the virus. In these circumstances, your company has worked tirelessly to address the challenges. We have learnt from them, made structural changes and implemented the reforms needed to succeed and evolve your business.

Stress on the global economy due to the pandemic and other factors have resulted in a decline in, inter-alia and agricultural activities. But with the unlock guidelines issued by the central and state governments and

improved weather conditions, agricultural activities are expected to increase in the coming years. Your Company is taking all necessary measures to make the organisation more resilient, agile and future-ready to mitigate the impact of the challenges being faced in the business.

The Government in its budget for the year 2020-21 has declared various incentive schemes which will boost the demand of PVC Pipes and Fittings in Housing, Construction and Infrastructure. Some of the budget highlights are listed as under:

- Pradhan Mantri Avas Yojana, an initiative to provide affordable housing to the urban poor. It aims to complete the construction of 20 million affordable houses by 2022. The budget allocation for affordable housing increased to ₹ 27,500 Crores (an 8.5% increase).
- ₹ 13,750 Crores has been allocated for the Smart Cities Mission and AMRUT (a 14% increase).
- Under the Affordable Housing Fund (AHF), ₹ 25,000 Crores has been allocated to aid incomplete housing projects.

Your company is geared up to exploit the potential market for its products and is looking forward to an exciting future that could come to light over these exciting opportunities.

As a corporate citizen your company understands its social responsibility. With the help of its CSR partner Mukul Madhav Foundation, it has been able to focus on the areas of Education, Healthcare, Sanitation, Skill Development, Social Welfare, Water Conservation and Women Empowerment. During the lockdown, your Company also provided PPE suits, ventilators, disinfectants, grocery kits and other essential commodities to hospitals and other organizations. During the FY 2019-20 your company has spent ₹ 11.92 crores against the statutory budget of ₹ 9.52 crores. I would like to thank your director Mrs. Ritu Chhabria and her dedicated team at Mukul Madhav Foundation for their tireless work in conducting the CSR activities of your Company.

During the financial year 2019-20, independent directors namely Mr. Sanjay Asher, Mr. Dara Damania, Mr. Shrikrishna Inamdar, Mr. Prabhakar Karandikar and Dr. Sunil Pathak were retired. The Board of Directors has placed on record its appreciation for the assistance and guidance provided by them to the Company during their tenure as directors of the Company.

Mr. Anil Whabi, Director – Finance, who retires by rotation and being eligible offers himself for reappointment. Your Board recommends his reappointment.

During the year the Board of Directors has co-opted Ms. Bhumika Batra, Dr. Deepak Parikh, Mr. Pradeep Rathi and Mr. Anami Roy as Additional and Independent Directors. Your Board recommends their appointment.

I would like you to join me in thanking the Management team, all the employees and stakeholders for their contribution to your company's success. Dear shareholders, I would also like to thank you for the trust you have reposed in us over the years. Overall, your company lived up to its commitment, as proclaimed by its Founder and my father, late Mr. Pralhad P. Chhabria – a man who believed that one has to look for opportunities to help people even if that service demands sacrifice.

I am thankful to our dear customers, banks, financial institutions, Government departments, local authorities, suppliers and business associates for their continuing support. I express my deep appreciation to my colleagues on the Board for their active participation and invaluable advice in the affairs of the Company.

Thank you,

Prakash P. Chhabria
Executive Chairman
DIN : 00016017