

FINOLEX CABLES LIMITED

PRESS RELEASE

FINOLEX CABLES LTD RESULTS

Pune, June 27, 2020

Finolex Cables Ltd., (FCL) at the meeting of its Board of Directors held today, approved results for the fourth quarter as well as the full year of 2019-20.

Revenues for the quarter ended March 2020 were Rs.651.44 Cr as against Rs.823.08 Cr for the corresponding period in year 2018-19, representing a 21% decline in value terms. In volume terms, all Electrical Wires declined by 18%, while Power Cables grew by 18%. Within Communication Cables segment, barring LAN and Optic Fiber Cables, all other product lines declined during the quarter by 25% to 30%. LAN and OFC, however grew during the quarter by 40% each. New products within the FMEG sector all grew by more than 20% each. The decline in overall revenue during the quarter, especially in Electrical Wire and Communication products sold through the dealer network was the result of COVID-19 related disruptions. While all operations came to a standstill from the declaration of lockdown, the impact of COVID related disruptions were being felt even as early as mid-February 2020.

For the full year 2019-20, sales were Rs. 2,877.30 Cr as against Rs. 3,077.79 Cr in the previous year – a decline of 7%, again mainly caused by the fall in Quarter four. Volume wise, Electrical Wire had a marginal growth of 1% over the previous year; all Communication product lines except for LAN had a decline of around 25% each. While in most product lines the decline was the result of COVID related disruptions, Optic Fiber Cables has had a difficult year with negligible investment from telecom sector during the entire year.

Newer product lines (Fans, Switchgear and Water Heaters) have all grown between 25% to 60% in volumes as compared to the previous year. Addition to product range, and expansion of distribution network, continued presence in visual media have all contributed to the better revenues and volumes within these product segments.

Profit for the quarter, before taxes, was Rs.135.50 Cr, as compared to Rs.139.94 Cr in the previous year – a decline of 3%.



For the full year, profit before taxes stood at Rs 501.33 Cr as against Rs 531.86 in the previous year – a decline of 6%.

At PAT level, PAT for Q4 of 2019-20 stood at Rs 117.16 Cr as against Rs 84.90 Cr for the corresponding period of the previous year – a growth of 38%.

For the full year, profit after taxes were Rs 402.48 Cr as against Rs 344.09 Cr in the previous year – the improvement is primarily due to the reduction in applicable tax rates as announced in the National Budget of 2019-20.

Based on the performance, the Board has recommended a dividend of 275% for the year.

For the year ended 31st March 2020, the consolidated results reflect net sales of Rs 2877.30 Cr as against Rs 3077.79 Cr in the previous year and Profit After Taxes of Rs 391.00 Cr as against Rs 407.47 Cr in the previous year.

ABOUT FCL

Finolex Cables Limited is India's largest and leading manufacturer of Electrical and Communication cables. Finolex offers a wide range of Electrical and Communication cables. Its wire and cable products are used in applications such as automobile, lighting, cable TV, telephone and computers to industrial applications touching every person in his daily life. In recent years, Finolex has added Electrical Switches, LED based Lamps, Fans, Low Voltage MCBs and a range of Water Heaters to its product portfolio.

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