

## POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai – 400016  
CIN: L31300GJ1996PLC114183  
Tel : +91 22 2432 7070-74 Fax : +91 22 2432 7075  
Email: [shares@polycab.com](mailto:shares@polycab.com) Website: [www.polycab.com](http://www.polycab.com)



Date: 18<sup>th</sup> October 2022

To  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai – 400 001

To  
Listing Department  
National Stock Exchange of India Limited  
C-1, G-Block, Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

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

Dear Sir / Madam

**Sub: Earnings Call Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Earnings Call presentation on the Unaudited (Standalone and Consolidated) Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September 2022.

Kindly take the same on your record.

Thanking you

Yours Faithfully  
**For Polycab India Limited**

**Manita Carmen A Gonsalves**  
**Company Secretary and Compliance Officer**  
Membership No.: A18321  
Address: Polycab House, 771, Mogul Lane  
Mahim (West), Mumbai - 400 016



**Registered Office:**  
Unit No.4, Plot No.105, Halol Vadodara Road  
Village Nurpura, Taluka Halol, Panchamahar, Gujarat-389350  
Tel : 2676- 227600 / 227700

*Evolving* through excellence



*Transforming* with focus

**Q2 FY2023 Presentation**

18 October 2022




# Q2 FY2023

Financial Performance




# Key Highlights

 **Top-line (Revenue)**


**Q2FY23: 33,324 mn**  
⌆ 11% YoY  
⌆ 22% QoQ

**H1FY23: 60,689 mn**  
⌆ 25% YoY

 **Operating (EBITDA)**

**Q2FY23: 4,268 mn**  
⌆ 46% YoY  
⌆ 38% QoQ

**H1FY23: 7,367 mn**  
⌆ 73% YoY

 **Profitability (PAT)**

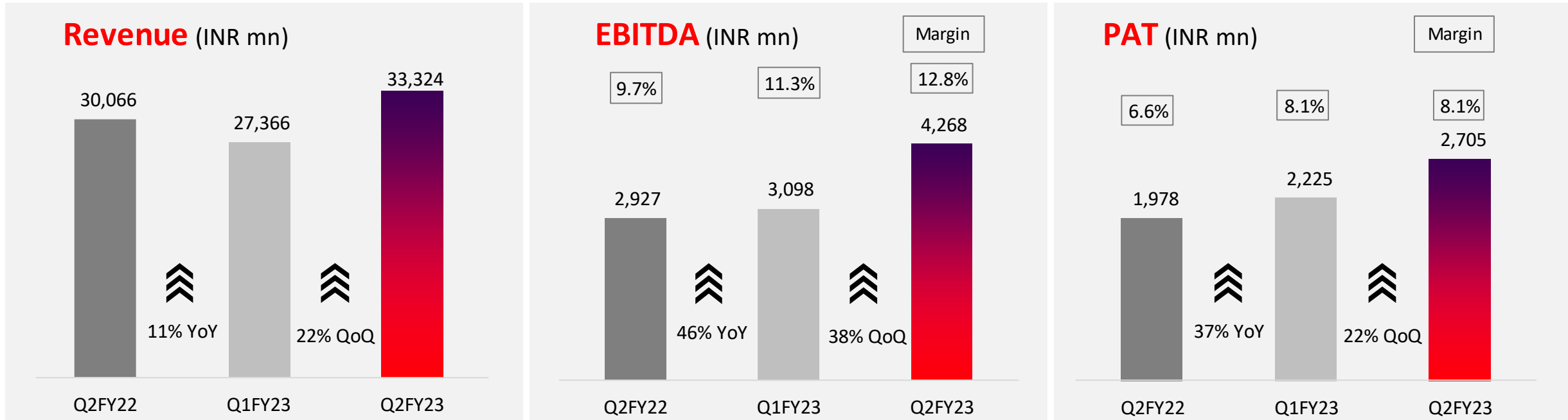
**Q2FY23: 2,705 mn**  
⌆ 37% YoY  
⌆ 22% QoQ

**H1FY23: 4,930 mn**  
⌆ 82% YoY

Amounts in INR

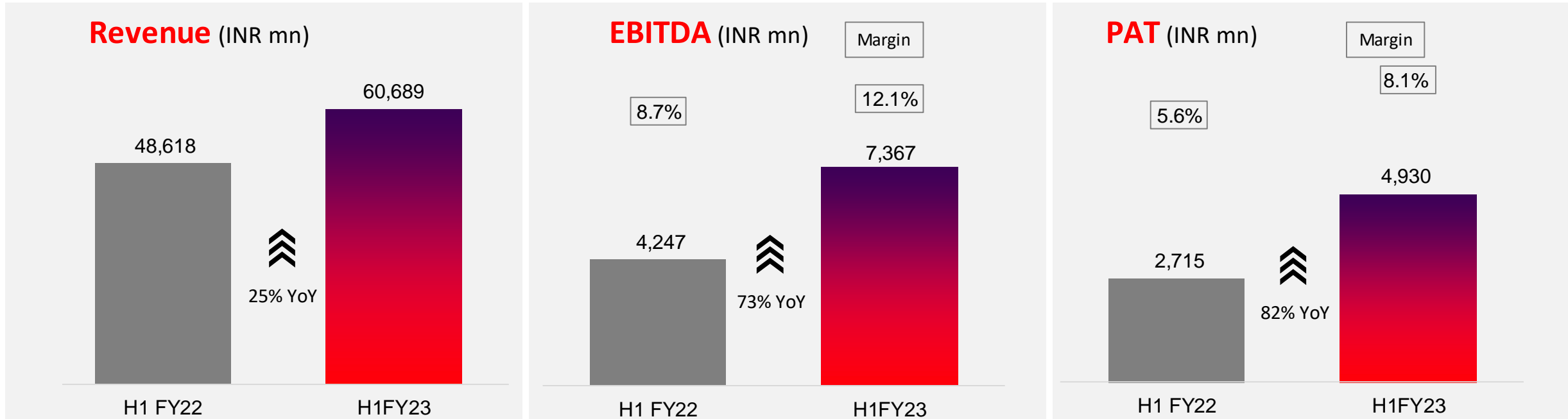


# Q2 FY23: Improving Growth Momentum



- Revenue up 11% YoY in spite of high base, declining commodity prices and burgeoning inflation on the back of healthy volume growth in Cables and Wires business
- EBITDA margin improved by 149 bps sequentially to 12.8% on account of strong growth in exports and judicious price revisions
- PBT and PAT up by 36% YoY and 37% YoY respectively. PAT margin sequentially stable at 8.1%
- Net Cash position improved to Rs 16.7 bn as of September 2022 end as against Rs 8.7 bn as of September 2021 end

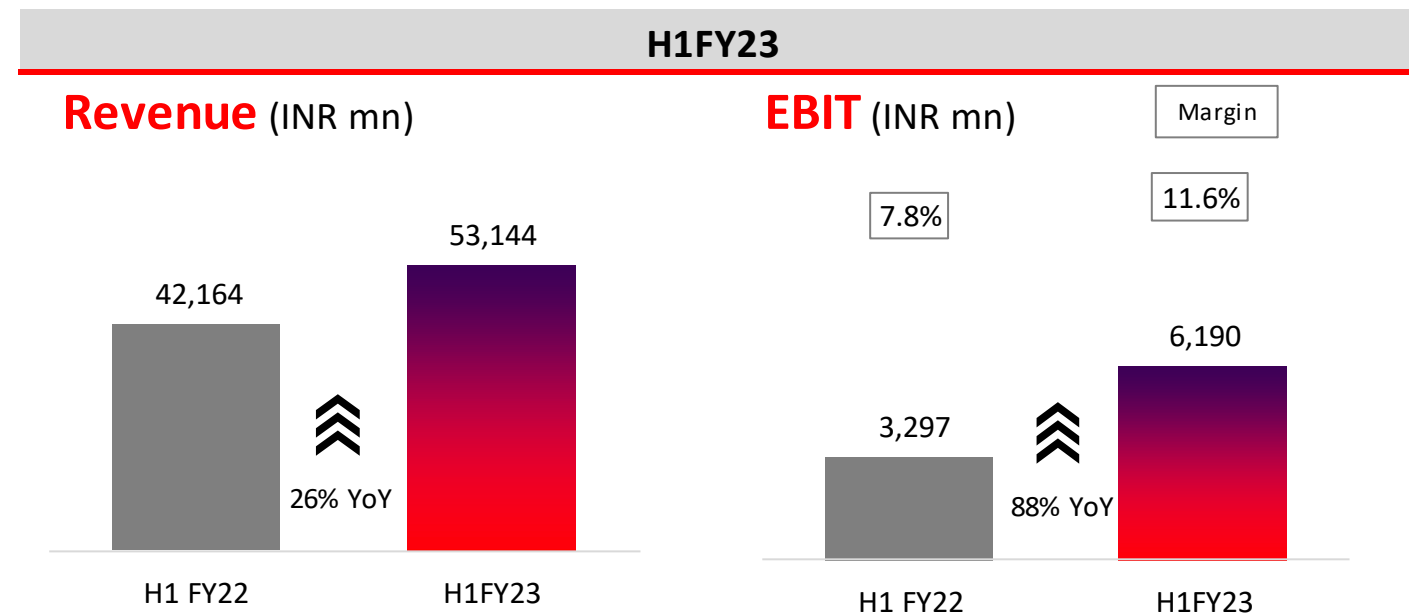
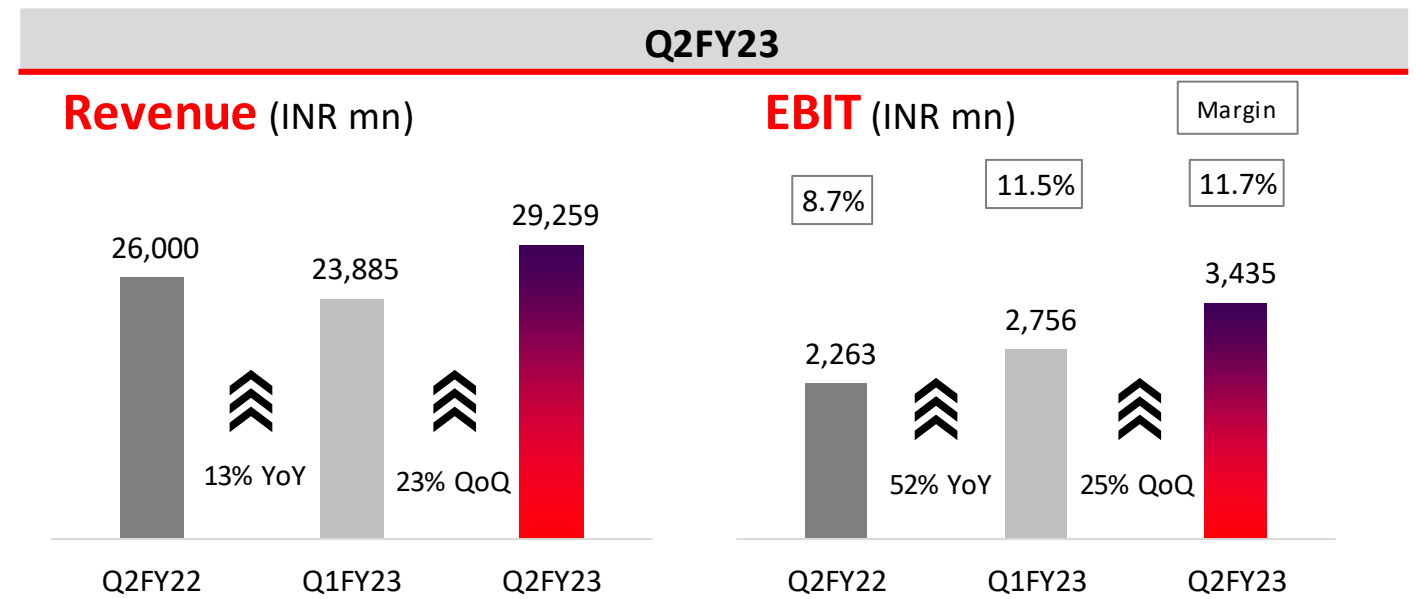
# H1 FY23: Strong Top-line Performance



- Revenue grew by 25% YoY in spite of declining commodity prices and burgeoning inflation on the back of healthy volume growth in Cables and Wires business
- EBITDA grew 73% YoY with margin improvement of 340 bps. Strong growth in exports and judicious price revisions contributed to margin improvement
- PAT increased by 82% YoY with margin improvement of 254 bps on account of weak base

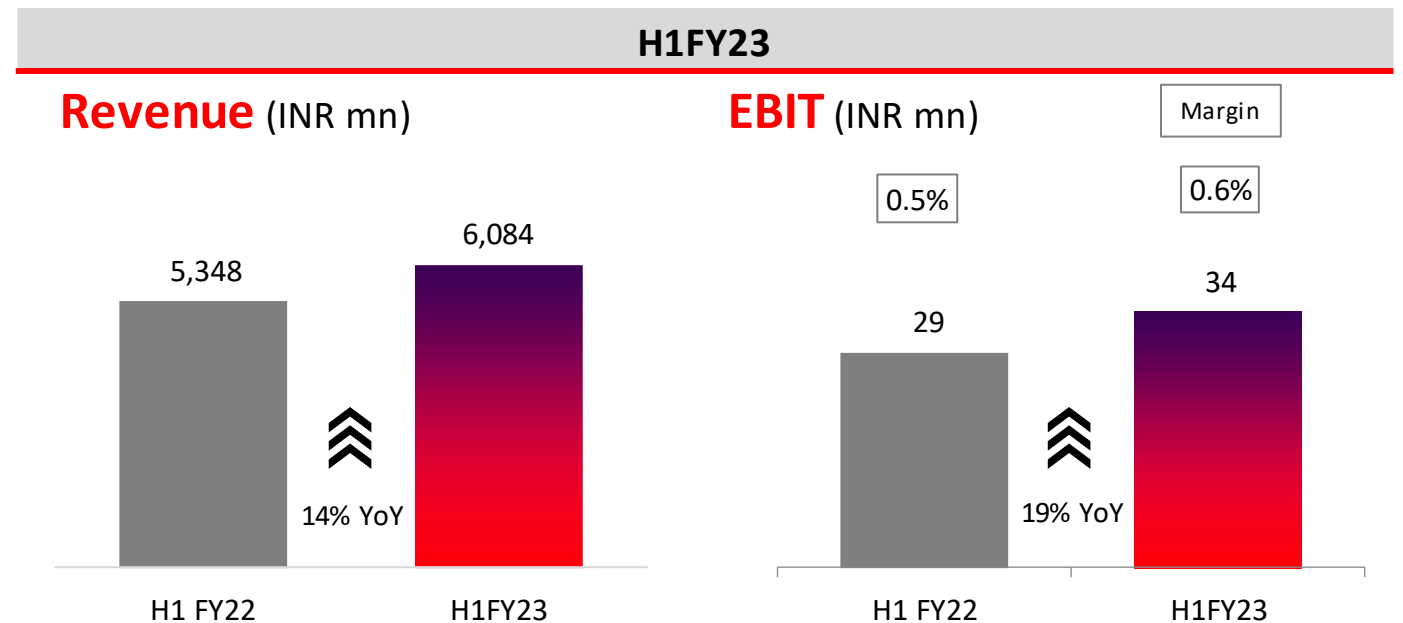
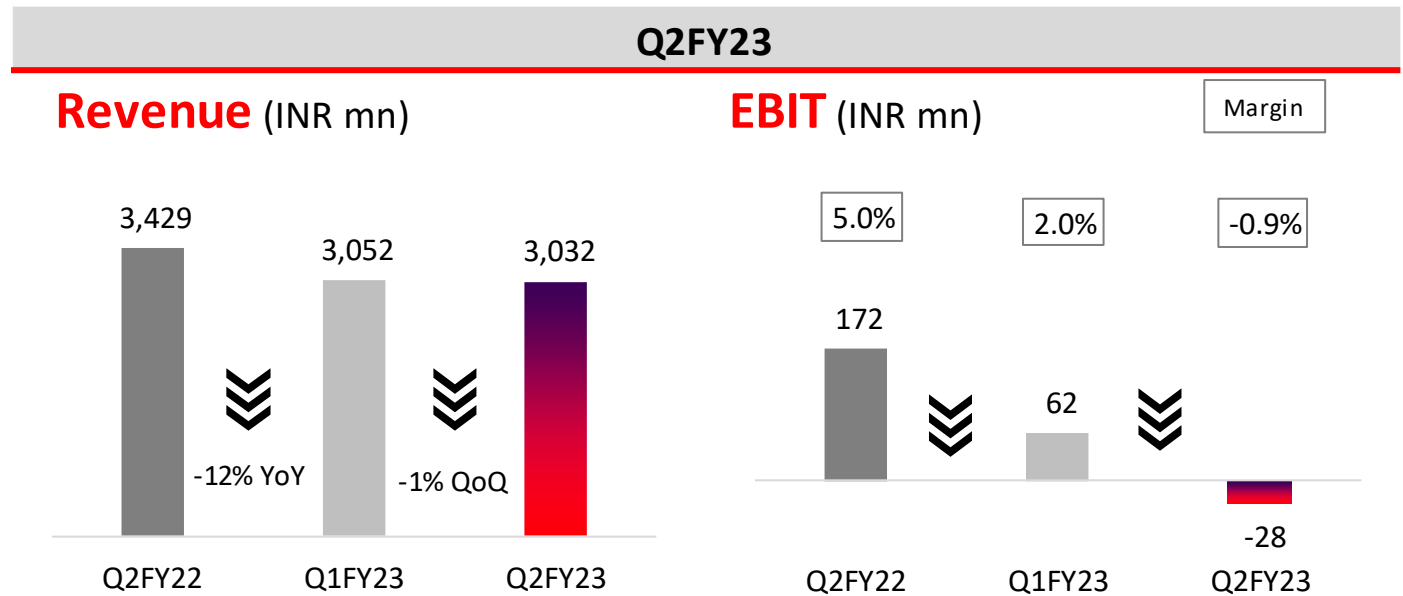
# Wires and Cables

- Wires and Cables revenue grew by 13% on YoY basis, on account of a healthy base
- Domestic distribution driven business continued to see strong momentum. Institutional business too saw a healthy growth over the same quarter last year
- On geographical front, the growth was broad-based, with highest growth in west region, followed by north, south and east regions respectively
- Exports business exhibited strong growth of 75% YoY on a healthy base, led by USA, Europe and Asia. Demand from sectors like Oil & Gas, Renewables and Infrastructure remained strong globally. Overall, exports business contributed to 13% of consolidated revenue in Q2 FY23
- Margins improved sequentially led by strong growth in exports and judicious price revisions



# Fast Moving Electrical Goods

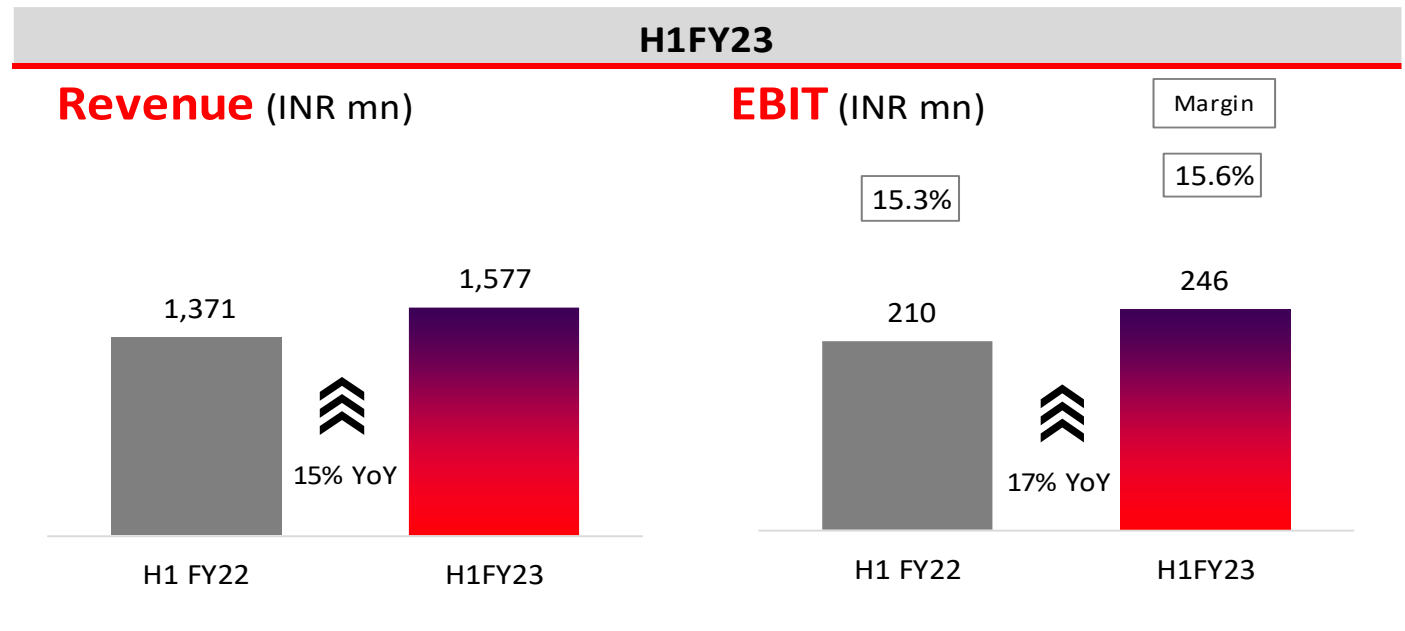
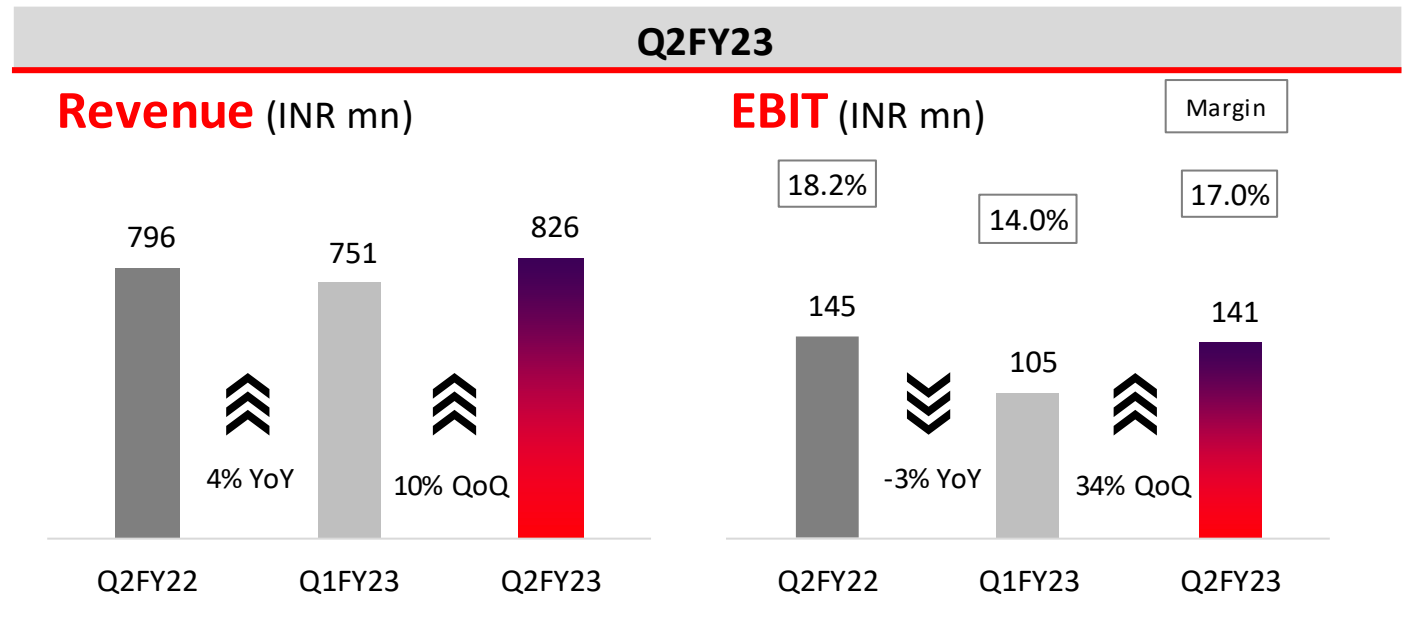
- FMEG business de-grew 12% YoY mainly due to subdued demand environment, exacerbated by realignment in distribution strategy undertaken under Project LEAP to improve long-term business growth. Demand from rural segment was especially muted
- Fans business was affected on account of seasonality, inflationary environment and transition to the new BEE regulations. Switch business recovered from the lows of Q1FY23, posting 123% QoQ growth
- Merged Fans vertical with Lights & Luminaries and Retail Wires vertical with Switches & Switchgears to unlock latent value through cross-selling opportunities and operational efficiencies



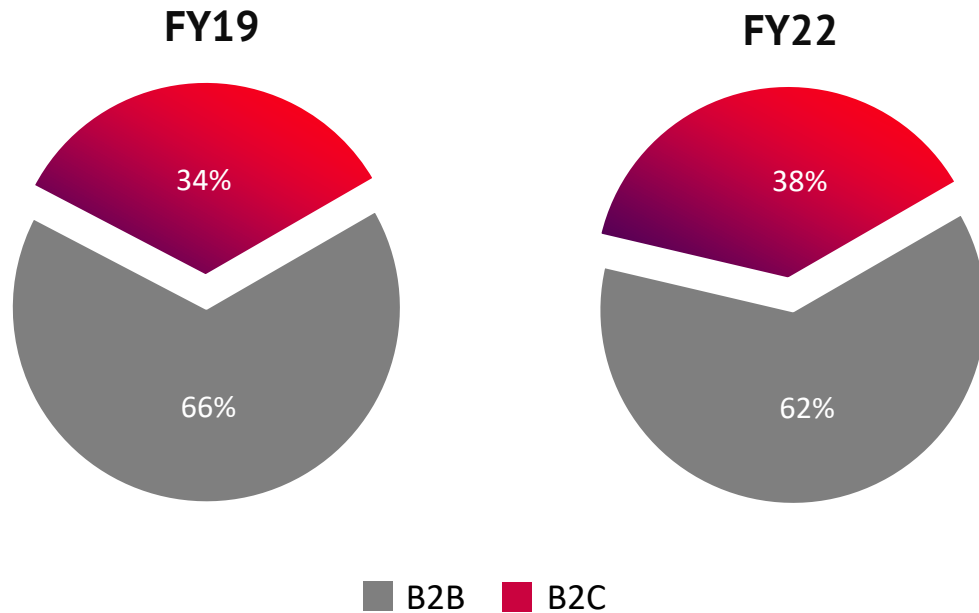


# Other

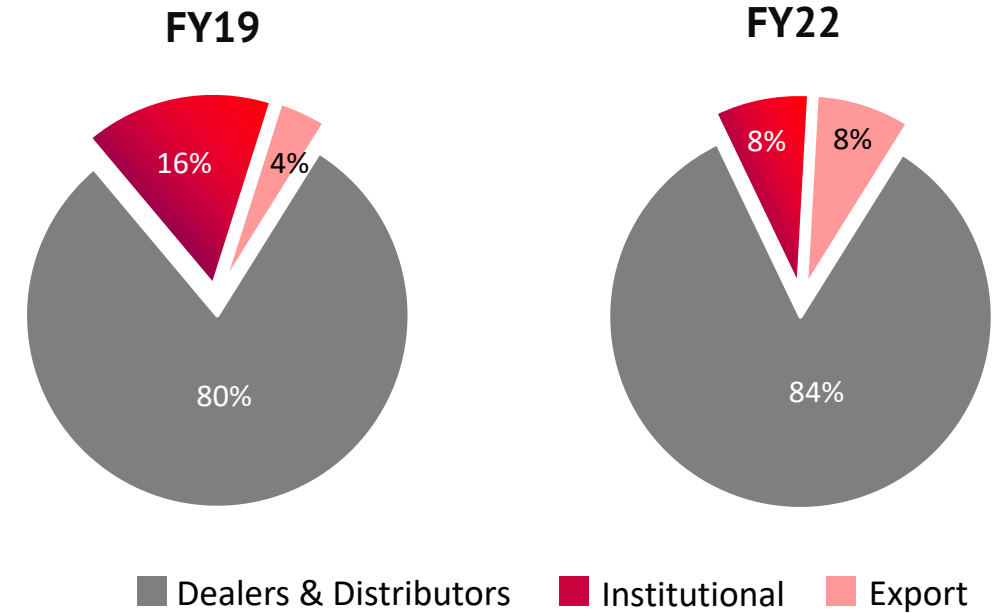
- Other segment largely comprises of our EPC business
- Total income at Rs 826 mn grew by 4% YoY and 10% QoQ
- Segmental EBIT was down by 3% YoY. Margin stood at 17.0%.
- Annual sustainable operating margin in this business is expected to be in high single digit over mid to long term



## Business Contribution from B2B and B2C segments



## Business Contribution from Dealers & Distributors, Institutional and Export Sales



# Financial Statements

Scan for Financial Results



[Download Link](#)

Scan for Condensed Financial Statements



[Download Link](#)



# Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter						Year To Date			
	Q2FY23	%	Q1FY23	%	Q2FY22	%	H1FY23	%	H1 FY22	%
<b>Revenue from Operations</b>	<b>33,324</b>	<b>100.0%</b>	<b>27,366</b>	<b>100.0%</b>	<b>30,066</b>	<b>100.0%</b>	<b>60,689</b>	<b>100.0%</b>	<b>48,618</b>	<b>100.0%</b>
Cost of Goods sold	24,625	73.9%	20,524	75.0%	23,474	78.1%	45,148	74.4%	37,670	77.5%
<b>Contribution (A)</b>	<b>8,699</b>	<b>26.1%</b>	<b>6,842</b>	<b>25.0%</b>	<b>6,592</b>	<b>21.9%</b>	<b>15,541</b>	<b>25.6%</b>	<b>10,948</b>	<b>22.5%</b>
Employee cost	1,148	3.4%	1,101	4.0%	1,052	3.5%	2,249	3.7%	1,991	4.1%
Other Operating Expenses	3,275	9.8%	2,630	9.6%	2,611	8.7%	5,904	9.7%	4,686	9.6%
Total Operating Expenses (B)	4,422	13.3%	3,731	13.6%	3,662	12.2%	8,153	13.4%	6,677	13.7%
Share of profit/(loss) of JVs (Net of tax) (C)	-8	0.0%	-13	0.0%	-3	0.0%	-21	0.0%	-24	-0.1%
<b>EBITDA (A)-( B)+(C)</b>	<b>4,268</b>	<b>12.8%</b>	<b>3,098</b>	<b>11.3%</b>	<b>2,927</b>	<b>9.7%</b>	<b>7,367</b>	<b>12.1%</b>	<b>4,247</b>	<b>8.7%</b>
Other Income	-22	-0.1%	443	1.6%	275	0.9%	421	0.7%	515	1.1%
Depreciation	523	1.6%	510	1.9%	509	1.7%	1,033	1.7%	1,002	2.1%
Finance Cost	139	0.4%	84	0.3%	51	0.2%	223	0.4%	149	0.3%
<b>PBT</b>	<b>3,585</b>	<b>10.8%</b>	<b>2,947</b>	<b>10.8%</b>	<b>2,642</b>	<b>8.8%</b>	<b>6,532</b>	<b>10.8%</b>	<b>3,612</b>	<b>7.4%</b>
Income Tax	880	2.6%	722	2.6%	664	2.2%	1,602	2.6%	896	1.8%
<b>Adjusted PAT</b>	<b>2,705</b>	<b>8.1%</b>	<b>2,225</b>	<b>8.1%</b>	<b>1,978</b>	<b>6.6%</b>	<b>4,930</b>	<b>8.1%</b>	<b>2,715</b>	<b>5.6%</b>
Exceptional items / Discontinued ops.	0	0.0%	0	0.0%	27	0.1%	0	0.0%	43	0.1%
<b>Reported PAT</b>	<b>2,705</b>	<b>8.1%</b>	<b>2,225</b>	<b>8.1%</b>	<b>2,005</b>	<b>6.7%</b>	<b>4,930</b>	<b>8.1%</b>	<b>2,758</b>	<b>5.7%</b>

Exceptional items / Discontinued ops. (INR mn)	Quarter						Year To Date			
	Q2FY23	%	Q1FY23	%	Q2FY22	%	H1FY23	%	H1 FY22	%
Profit from Discontinued operations	-	-	-	-	27	-	-	0.0%	43	0.1%
<b>Total</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>27</b>	<b>0.1%</b>	<b>0</b>	<b>0.0%</b>	<b>43</b>	<b>0.1%</b>

# Consolidated Balance Sheet

Particulars (INR mn)	Sep-22	Jun-22	Sep-21
<b>Assets</b>			
<b><u>Non-current Assets</u></b>			
Fixed Assets	21,151	20,716	20,320
Non-current Deposits	7	7	2,090
Other Non-current Assets	1,884	2,020	2,335
<b>Total Non-current Assets</b>	<b>23,042</b>	<b>22,743</b>	<b>24,746</b>
<b><u>Current Assets</u></b>			
Inventories	24,129	25,770	21,559
Trade Receivables	9,604	8,822	10,908
Investments	12,799	3,567	6,619
Cash and Bank Balances	4,878	3,170	2,421
Others - Current Assets	6,332	6,291	3,801
<b>Total Current Assets</b>	<b>57,741</b>	<b>47,620</b>	<b>45,310</b>
<b>Total Assets</b>	<b>80,783</b>	<b>70,363</b>	<b>70,055</b>

Particulars (INR mn)	Sep-22	Jun-22	Sep-21
<b>Equity and Liabilities</b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	1,497	1,496	1,493
Reserves and Surplus	56,835	54,053	47,397
<b>Total Shareholder's Funds</b>	<b>58,332</b>	<b>55,549</b>	<b>48,889</b>
Minority Interest	305	279	227
<b><u>Non-current Liabilities</u></b>			
Borrowings	28	34	779
Others - Non-current Liabilities	1,067	966	1,286
<b>Total Non-current Liabilities</b>	<b>1,095</b>	<b>1,000</b>	<b>2,065</b>
<b><u>Current Liabilities</u></b>			
Short-term Borrowings	1,004	806	1,579
Trade Payables	16,600	8,545	13,125
Others - Current Liabilities	3,447	4,184	4,170
<b>Total Current Liabilities</b>	<b>21,051</b>	<b>13,536</b>	<b>18,874</b>
<b>Total Equity and Liabilities</b>	<b>80,783</b>	<b>70,363</b>	<b>70,055</b>

# Consolidated Condensed Cash Flow Statement

Particulars (INR mn)	Quarter			Year To Date	
	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1 FY22
Net Cash Flow from Operating Activities	11,628	-2,053	3,655	9,576	2,071
Net cash flow from/(used in) investing activities	-11,265	3,541	-1,024	-7,723	-1,826
Net cash flow from/(used in) financing activities	-36	-2,095	-2,409	-2,131	-1,661
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>328</b>	<b>-607</b>	<b>222</b>	<b>-279</b>	<b>-1,416</b>

## Other key data points

Particulars (INR mn)	Quarter			Year To Date	
	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1 FY22
Advertisement and sales promotion expense	168	195	142	363	220
Capital expenditure	967	1,044	708	2,011	1,508
Net Cash Position*	16,652	5,904	8,773	16,652	8,773
Trade acceptances*	10,776	2,920	7,471	10,776	7,471
Goods in Transit*	582	2,065	430	582	430
Exports contribution (%)	13.2%	6.7%	8.4%	10.3%	7.5%

Notes: \* as at period end

# Other financial metrics

Working Capital in days	Average				Closing			
	Q2FY23	Q1FY23	FY22	FY21	Q2FY23	Q1FY23	FY22	FY21
Receivable Days	28	25	41	59	26	25	39	59
Inventory days	82	94	81	108	86	93	85	110
Payable Days	66	56	67	102	71	45	63	102
<b>Net Working Capital</b>	<b>44</b>	<b>63</b>	<b>54</b>	<b>65</b>	<b>42</b>	<b>73</b>	<b>61</b>	<b>67</b>

Other Income (INR mn)	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1 FY22
Interest income	61	59	60	120	140
Gain/loss on Redemption of investment	123	63	56	186	109
Fair value of financial assets (MTM)	-182	254	19	73	2
Exchange differences (net)	-45	45	113	0	229
Miscellaneous income	21	22	27	42	35
<b>Total</b>	<b>-22</b>	<b>443</b>	<b>275</b>	<b>421</b>	<b>515</b>

Finance Cost (INR mn)	Q2FY23	Q1FY23	Q2FY22	H1FY23	H1 FY22
Interest on Bank Borrowings	10	4	8	14	35
Interest on LC, VBD and Leases	86	33	8	118	16
Other borrowing costs	43	48	0	91	0
Foreign Exchange Gain/loss	0	0	35	0	97
<b>Total</b>	<b>139</b>	<b>84</b>	<b>51</b>	<b>223</b>	<b>149</b>

Progressing well on strategic agenda to achieve break-out growth



## Customer centricity

- Defined customer centric operating model resulting in increase in secondary sales
- Undertook pilot projects focused on deepening reach and engagement with Individual Home Builders and allied influencers



## Go-To-Market Excellence

- B2B Cables & Wires reach expanded to 120 new districts
- 115 new distributors added in Retail Wire business and 193 new distributors added in FMEG business



## Winning with new products

- Product portfolio roadmap built across large B2C businesses
- Continued push on premiumization of portfolio in B2C businesses
- New business launched under 'Etira' brand contributing meaningfully to Retail Wire top-line

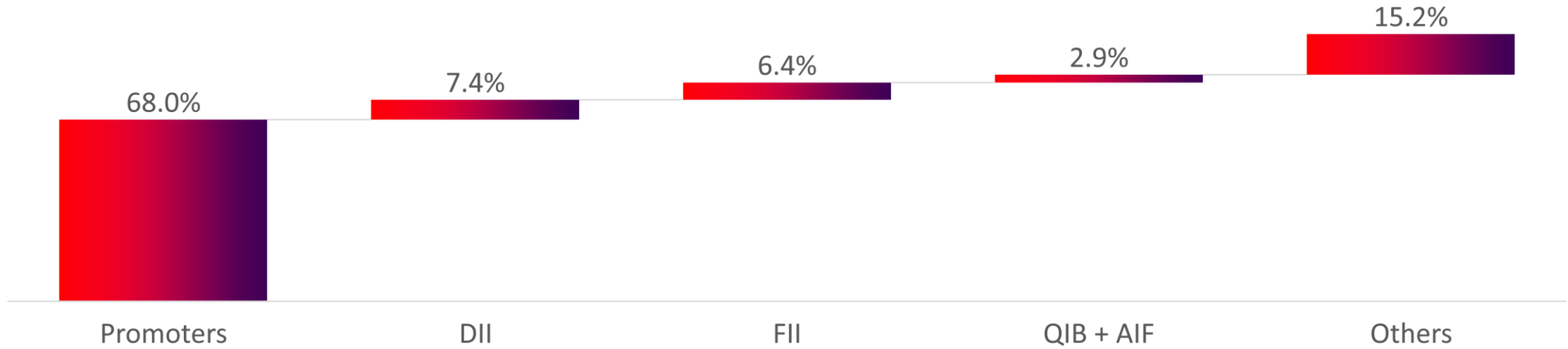


## Setup of organization and digital enablers

- SFDC strengthened for C&W businesses with live performance dashboards and one customer view



# Shareholding Pattern



Note: As on 30<sup>th</sup> September 2022. DII (Domestic Institutional Investors) includes "Mutual Funds". FII (Foreign Institutional Investors) includes "Foreign Portfolio - Corp" and "Foreign Corporate Bodies". QIB/ AIF stands for "Qualified Institutional Buyer"/ "Alternative Investment Fund"



# Safe Harbour

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international copper, aluminum, oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time based on subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

# Notes and general definitions



1. Numbers on consolidated basis in INR million
2. Revenue: Revenue from operations
3. Segment Revenue: Total income (external sales) excluding finance income
4. EBITDA: Excludes other income
5. EBITDA Margin: EBITDA / Revenue
6. Segment EBIT: Includes other income and excludes finance income
7. Segment EBIT margin: Segment EBIT divided by Segment Revenue
8. PAT: Profit After Tax on reported basis excluding exceptional items and discontinued operations
9. PAT Margin: PAT for the period divided by Revenue
10. Net Cash: Cash & equivalents + Investments + Non-current Deposits – Debt
11. Working Capital: Working capital days on Average basis is calculated using average of balance sheet number and sum of trailing 12 months P&L number. Closing basis uses period close balance sheet number and sum of trailing 12 months P&L number
12. P&L and Segment numbers in current and prior comparable periods are restated due to divestment of Ryker Base.

THANK YOU

Polycab India Limited

Contact us

For investor relations:  
[investor.relations@polycab.com](mailto:investor.relations@polycab.com)

For queries on shares & investor  
grievance: [shares@polycab.com](mailto:shares@polycab.com)

Website: [www.polycab.com](http://www.polycab.com)

