



# Chairman's Statement

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Inder T. Jaisinghani

## Dear Shareholders,

In the dynamic landscape of business, where challenges often abound, there emerges a rare opportunity for those who dare to seize it with unwavering focus and determination. At Polycab, we have always been optimistic about India's growth story and the vast opportunities it offers, diligently preparing to capitalise on them. This year's performance reflects our sustained efforts in this direction. It is with immense pride that I share with you an update on our Company's performance, a testament to our steadfast commitment to excellence and our relentless pursuit of growth. Our journey this year has truly embodied the essence of 'Vision to Transform, Conviction to Outperform', as we've not only met but surpassed expectations, reaffirming Polycab's status as a leader in the electrical industry.

## Year Under Review

Fiscal 2023-24 stands out as an exceptional year for Polycab, marked by robust performance and notable achievements. The Company grew its top-line by 28% year-on-year, in spite of a high base, on the back of strong demand led volume growth in the domestic cables and wires business. Polycab's industry-leading top-line growth has not only exceeded expectations but has also translated into substantial market share gains in the C&W industry. At an organised level, Polycab's market share is estimated to have increased by 2%-3% over last year, to stand at 25%-26%. This remarkable feat can be attributed to our strategic foresight and proactive investments in setting up additional capacities for cable manufacturing ahead of time. By anticipating and adequately preparing to meet the escalating market demands, we have positioned ourselves as the preferred choice for customers seeking reliable and high-quality electrical solutions.

# 2-3%

Increase in domestic C&W market share compared to FY 2022-23

The resurgence in wires demand, propelled by the mid-phase of the real estate upcycle, further bolstered our performance in Fiscal 2023-24. Our concerted efforts, including distribution expansion initiatives, completion of the product architecture through the introduction of ranges across price-points, tailored go-to-market strategies, and a focused approach to influencer management, have yielded tangible results.

As a result, our wires business not only outpaced industry growth but also reinforced our market position as a trusted provider of comprehensive electrical solutions.

# 40%

5-year CAGR of International Business

Our international business has been a stellar performer, boasting a CAGR of over 40% over the last five years. We find ourselves at a crucial juncture in our international endeavors as we transition to a distribution model mirroring our successful operations in India. This strategic shift holds the promise of unlocking manifold benefits for us. However, such a significant business transition is time-consuming and can slow growth during the transition phase. Our flat performance this year is a result of this process. Nevertheless, we perceive these challenges as stepping stones towards our long-term objectives. We believe the international business represents a significant opportunity for Polycab, and we are fully prepared to capitalise on it to further enhance our global footprint.

The FMEG business encountered a subdued year, marked by marginal growth, primarily due to persistent fragility in consumer sentiment. We have an identified roadmap in place to elevate the performance of this business with strategic initiatives being taken to enhance the on-ground execution. Looking forward, as consumer sentiment rebounds in tandem with controlled inflation and our refined execution strategy takes effect, we anticipate a notable uptick in the growth trajectory of our FMEG business in the near future. With a renewed focus on addressing consumer needs and streamlining our operational efficiencies, we are confident in our ability to capitalise on emerging opportunities and steer the FMEG segment towards sustained growth and profitability.

On margins, our unwavering commitment to excellence has been instrumental in driving improvements across various fronts during the year. Through a strategic realignment of our product mix, enhanced capacity utilisation rates, and the favourable impact of strategic initiatives and pricing revisions on gross margins, we have achieved commendable margin expansion. As a result of these efforts, Polycab proudly stands as the most profitable company in the electrical space, a testament to our relentless pursuit of value creation for our shareholders.



## Journey Towards B2C Excellence

Over the past three years, under Project LEAP, Polycab has embarked on a transformative journey aimed at energising our B2B business, driving breakthrough expansion in the B2C business and cultivating an organisational culture primed for future success. This initiative has not only propelled us toward notable growth but has also sparked a profound evolution in our corporate ethos and identity. As we continue on this path, we are confident that our commitment to B2C excellence will secure our position as a market leader and enable us to meet the evolving needs of our customers.

Central to this transformation is the cultivation of a culture of professionalisation, wherein every aspect of our operations, from production to customer service, is driven by best practices and a commitment to excellence. Through targeted investments in talent acquisition, training, and development, we have equipped our workforce with the skills and expertise needed to thrive in an increasingly competitive marketplace.

Moreover, innovation has emerged as a cornerstone of our strategic vision, driving continuous improvement and differentiation across our product portfolio. By fostering a culture of creativity and forward-thinking, we have not only enhanced the quality and performance of our offerings but have also introduced groundbreaking solutions that address the evolving needs of our customers.

In parallel, our expansion efforts have extended beyond geographical boundaries to encompass the development of a robust distribution and electrical experts network. By forging strategic partnerships and alliances, we have extended our reach and strengthened our presence in key markets, thereby amplifying our ability to serve customers effectively and efficiently.

# 25%

## 8-Year CAGR of FMEG business

In addition to enhancing the customer experience, we are committed to optimising the profitability of our distributor and retailer network. We recognise the importance of timely and efficient post-sales service, and as such, we are streamlining our processes to improve turnaround times and support our partners in maximising their earnings potential.

To complement these initiatives, we have amplified our efforts to improve our brand presence and relevance in the marketplace through increased investment in advertising and promotional activities. Our recent partnership with the International Cricket Council (ICC) as an official partner for major events exemplifies our commitment to leveraging high-visibility platforms to enhance brand visibility and engagement.

## Focus on Sustainability

Polycab has long recognised the importance of corporate citizenship and sustainability in driving business operations. Our commitment to these principles has been steadfast, and this year, we have made significant strides in advancing our sustainability agenda. With a firm hand on sustainability, we have remained dedicated to our goals, striving to integrate ESG considerations into every facet of our operations.

As part of our commitment to transparency and accountability, we have provided updates on our performance on our key ESG topics. Our goal in doing this is to furnish our stakeholders with tangible data to assess our advancement and ensure that we remain accountable for our actions. This commitment to transparency not only reinforces our commitment to sustainability but also underscores our belief in the importance of collaboration and shared responsibility in addressing global challenges.

Moving forward, we are fully committed to exploring new avenues and innovative solutions to further enhance our performance on the ESG front. We recognise that sustainability is an ongoing journey, and as such, we remain steadfast in our resolve to continually evolve and improve. Through collaboration with stakeholders, investment in sustainable practices, and a relentless focus on innovation, we are confident that we can make meaningful contributions towards building a more sustainable future for generations to come.

## A Promising Future

As we cast our gaze towards the future, we are filled with optimism regarding the tremendous potential for manufacturing growth in the coming decade. With the government's commitment towards long-term infrastructure growth in the country, a burgeoning real estate upcycle, and anticipated increases in private capital expenditure, the stage is set for a period of unprecedented expansion. At Polycab, we stand resolute in our commitment to play a pivotal role in the nation-building endeavour, leveraging our expertise and resources to contribute to the country's economic development.

To seize the opportunities presented by this auspicious outlook, we are proactively gearing up for accelerated growth by channelling substantial resources into enhancing our manufacturing capabilities, ensuring that we are well-equipped to meet the burgeoning demand for our products.

**“By fortifying our production infrastructure, we aim to not only capitalise on the anticipated uptick in market demand but also solidify our position as a market leader in the electrical industry.”**

Furthermore, our commitment to contributing to the nation-building endeavour extends beyond mere expansion. We are dedicated to fostering innovation, driving technological advancements, and nurturing talent to drive sustainable growth and prosperity for all stakeholders. By aligning our growth strategy with the broader goals of economic development and social progress, we aim to create lasting value for our customers, employees, shareholders, and society at large.

As we embark on this journey of growth and transformation, we do so with a sense of purpose and determination. With our sights set firmly on the horizon, we are confident that the next decade will herald a new era of success and prosperity for Polycab and the nation as a whole.

## Gracias

As I reflect on the achievements of Fiscal 2023-24, I am deeply gratified by the collective efforts of our dedicated team, whose resilience and commitment have been the driving force behind our success. I would also like to extend my heartfelt thanks to all our stakeholders for their continued belief in and support of the Company. Looking ahead, we remain determined in our resolve to uphold the highest standards of performance, innovation, and customer-centricity. With a solid foundation in place and a clear strategic direction, we are confident in our ability to navigate through future challenges and capitalise on emerging opportunities, thereby delivering sustained value and prosperity for all our stakeholders.

Warm regards,

**Inder T. Jaisinghani**  
Chairman & Managing Director