

Management Discussion and Analysis



Economic Review

Global Economic Review

The global economy in FY26 demonstrated measured resilience amid a complex macroeconomic and geopolitical environment. Global growth is estimated to have remained in the range of 2.8%–3.1%, supported by easing inflationary pressures, normalisation of supply chains, and gradual recovery in demand. However, the pace of expansion remained uneven across regions, reflecting divergent policy responses, structural challenges, and evolving trade dynamics.

2.8%–3.1%

Estimated global economic growth range in FY26.

Inflation moderated across most advanced economies during the year, aided by softer energy prices and improved supply conditions. Nonetheless, core inflation remained relatively sticky, particularly within services, prompting central banks such as the US Federal Reserve and the European Central Bank to maintain a cautious and data-driven stance on monetary easing. As a result, global financial conditions remained relatively tight for a significant

part of the year, influencing borrowing costs, investment activity, and capital flows toward emerging markets.

Geopolitical developments continued to weigh on global economic stability. The ongoing Russia-Ukraine War, along with tensions in the Middle East, led to intermittent disruptions in energy markets and key shipping routes, contributing to volatility in crude oil prices and elevated freight costs. These developments, coupled with strategic realignments among major economies, reinforced the importance of supply chain resilience and diversification.

Against this backdrop, the United States economy remained relatively resilient, with growth estimated at approximately 2.0%–2.3%, supported by strong consumer spending and a robust labour market, although elevated interest rates continued to weigh on housing and capital investment. In parallel, the U.S. continued to adopt a more assertive trade stance, extending beyond its bilateral tensions with China to a broader, strategic recalibration of global trade relationships. This included the use of tariffs, industrial policies, and regulatory measures across a wider set of trading partners and sectors, particularly in areas such as metals, clean energy components, and advanced manufacturing. These

Source: International Monetary Fund (IMF), World Economic Outlook

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actions, aimed at strengthening domestic manufacturing and reducing external dependencies, have contributed to a gradual shift toward trade fragmentation and supply chain localisation at a global level.

In contrast, the Eurozone experienced subdued growth of around 0.8%–1.2%, with manufacturing weakness particularly in economies such as Germany and softer consumer demand constraining economic activity. At the same time, the region has been at the forefront of introducing structural trade measures, including carbon-linked border adjustment mechanisms within the European Union, which are increasingly linking trade flows to environmental compliance and emissions intensity.

The China economy expanded at a relatively moderate pace of ~4.5%–5.0%, impacted by structural challenges in the real estate sector, subdued domestic consumption, and local government debt concerns. However, targeted fiscal stimulus, infrastructure investments, and export competitiveness provided partial support.

Meanwhile, emerging markets, including India, Brazil, and Indonesia, continued to demonstrate relatively stronger growth, supported by domestic demand and favourable demographic trends, albeit with intermittent volatility in capital flows.

The global trade environment in FY26 was characterised by a continued shift toward protectionism and strategic economic realignment. Beyond bilateral tensions, several economies implemented a mix of tariff and non-tariff measures, including anti-dumping duties, safeguard actions, and stricter regulatory standards. The expanding use of tariffs by the United States across multiple regions and sectors, alongside similar measures by other economies, has accelerated the regionalisation of supply chains and reinforced “friend-shoring” and “China+1” strategies among global manufacturers.

Overall, while global trade showed early signs of recovery supported by improving manufacturing activity and inventory restocking, growth remained below long-term averages due to persistent uncertainties and structural shifts in trade patterns.

Emerging markets such as India, Brazil and Indonesia outpaced global growth, supported by strong domestic demand and favourable demographics.



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Commodities

Commodity markets remained dynamic during FY 2025-26, shaped by evolving global macroeconomic conditions, geopolitical developments, trade policy shifts, and supply-side disruptions. Prices of key raw materials such as Copper, Aluminium, Steel, and PVC compounds exhibited volatility throughout the year, influencing input costs across industries.

During the year, commodity price movements were increasingly driven by supply-side disruptions alongside demand trends. Geopolitical developments, including the ongoing war and escalating tensions in the Middle East, had a pronounced impact on global energy markets and industrial supply chains. Disruptions in key shipping routes and volatility in crude oil prices led to elevated logistics and input costs, contributing to fluctuations across commodity classes. Additionally, the continued expansion of tariffs and trade measures by the United States across multiple regions and sectors contributed to fragmentation in global trade flows, influencing commodity pricing and regional supply-demand dynamics.

Copper prices witnessed notable volatility during FY 2025-26, driven by a combination of demand variability and supply-side constraints. While demand from China remained relatively subdued due to structural challenges in its real estate sector and slower industrial activity, prices were supported by supply disruptions. A

key development during the year was the disruption at a major mining operation in Indonesia following a landslide, which impacted output and tightened global supply. This supply shock, coupled with structurally strong demand from electrification, renewable energy, and electric mobility, resulted in an upward bias in copper prices during parts of the year.

Aluminium prices exhibited a firm and upward trend with intermittent volatility during FY 2025-26, supported by tightening global supply conditions. The escalating geopolitical tensions in the Middle East led to disruptions at key smelting facilities in the region, resulting in production curtailments and supply concerns. Given the region's significance in global aluminium production, these disruptions contributed to supply tightness and supported prices. In addition, structural constraints such as limited capacity expansion and declining inventories further reinforced the upward price momentum.

The demand outlook for both Copper and aluminium continues to remain strong, supported by structural drivers such as investments in power transmission and distribution (T&D), expansion of renewable energy capacity, electric vehicle adoption, and digital infrastructure development.

PVC, a key raw material used in insulation applications, witnessed a two-phase price movement during FY 2025-26. The year began with a correction in prices, driven by global oversupply, elevated inventory levels, and relatively weak demand across key

markets, particularly with higher exports from China. However, in the latter part of the year, prices rebounded sharply due to supply-side disruptions. Escalating tensions in the Middle East impacted petrochemical supply chains, including disruptions in feedstock availability and logistics, leading to tightening supply and upward pressure on PVC prices. Consequently, PVC markets during the year were characterised by an initial correction followed by a supply-driven recovery, with volatility influenced by feedstock costs, geopolitical developments, and trade flows.

Steel prices experienced cyclical movements during FY 2025-26, reflecting a combination of uneven global demand and supply-side

adjustments. While global demand remained moderate, infrastructure-led consumption in several economies provided intermittent support. Trade measures, including anti-dumping duties and import regulations in certain regions, also influenced price trends and supply dynamics.

The Indian rupee experienced significant depreciation against the U.S. dollar during FY 2025-26. The exchange rate, which was ₹85.5 per USD in April 2025, crossed the ₹95 per USD mark by the end of the fiscal. This depreciation was influenced by several factors, including global monetary conditions, capital flows, crude oil price movements, evolving trade policies and West Asia tensions.



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Indian Economy

India's economy continued to demonstrate resilience in FY 2025-26, maintaining its position as one of the fastest-growing major economies globally, with growth estimated in the range of 7.5%–8.0%¹. This performance was supported by strong domestic demand, sustained government capital expenditure, and a gradual recovery in private sector investments, despite an uncertain global environment.

7.5%–8.0%
 Estimated growth range of the Indian economy in FY26.

Infrastructure development remained a key pillar of economic activity, with continued investments across transportation, power, railways, and urban development supporting industrial growth and crowding in private sector participation. Private consumption remained steady, with urban demand holding firm and rural consumption showing gradual improvement supported by favourable agricultural output.

Sectorally, the services sector continued to be a major growth driver, supported by digitalisation and strong performance in IT and business services. Agriculture supported rural demand through stable output, while manufacturing growth remained moderate, aided by domestic demand but impacted by a subdued global environment.

Industrial activity remained stable, led by infrastructure-linked sectors, although export-oriented industries faced pressure due to weak global demand and evolving trade dynamics. Increasing protectionist measures globally, including the broader application of tariffs by the United States, continued to impact merchandise exports.

Inflation remained within the tolerance band of the Reserve Bank of India, supported by easing food prices and stable core inflation. The Reserve Bank of India maintained a balanced and data-driven monetary policy stance, ensuring adequate liquidity to support growth while maintaining price stability. The banking sector remained strong, with healthy credit growth, improved asset quality, and robust capitalisation.

India's external sector remained resilient despite global uncertainties. While merchandise exports were impacted by weak global demand, services exports continued to perform well, providing stability to the external account. The Indian rupee remained volatile during the year, influenced by global financial conditions, crude oil prices, and capital flows, with implications for import costs and export competitiveness.

Looking ahead, India is expected to sustain its growth momentum, with GDP projected in the range of 6.5%–7.5%, supported by infrastructure investments, policy continuity, and favourable demographics. However, global uncertainties, including geopolitical developments and trade-related risks, may pose intermittent challenges.

6.5%–7.5%
 Projected GDP growth range for India.

¹ Ministry of Statistics and Programme Implementation (MoSPI)

Industry Review



Global Cable and Wire Industry

The Global Cable Market continues to experience a sustained multi-year growth cycle, underpinned by structural shifts toward electrification, energy transition, infrastructure modernisation, and rapid digitalisation. The global cables and wires market is estimated at over USD 350–370 billion* and is expected to grow at a CAGR of 6%–7%* over the medium term, supported by strong demand across both energy and communication infrastructure.

\$350–370 Bn

Estimated size of the global cables and wires market

A key driver of global demand is the ongoing transformation of power infrastructure. In the United States, investments in grid

modernisation and clean energy transition are accelerating, with planned spending on power infrastructure expected to exceed USD 1 trillion² over the next decade, driving demand for transmission and distribution cables. Similarly, the European Commission estimates investments of over 580 billion in electricity networks by 2030, aimed at strengthening grid resilience, enabling renewable integration, and enhancing energy security.

China is set to pour a record-high 5 trillion Yuan into its power grid over the next five years, a massive investment in new grid infrastructure⁴, supporting steady demand for cables across voltage segments. China also continues to play a significant role in global supply dynamics, given its scale of production and export capabilities.

The Middle East is emerging as a significant growth region for the cable industry, driven by large-scale investments in infrastructure,

energy, and industrial development. Countries such as Saudi Arabia and the United Arab Emirates are undertaking multi-billion-dollar investments under long-term economic transformation programs such as Vision 2030. These include large-scale projects across smart cities, industrial zones, airports, metros, and utilities, driving substantial demand for cables and wires.

The region is also witnessing significant investments in power generation and transmission infrastructure, including renewable energy projects. Utility-scale solar and wind installations, along with grid expansion initiatives, are creating strong demand for power cables. Additionally, investments in oil & gas, petrochemicals, and industrial complexes continue to support demand for specialised and high-performance cables.

The global transition toward clean energy remains a major growth catalyst. Globally, renewable power capacity is projected to increase to almost 4600 GW between 2025 and 2030⁵, driving substantial demand for cables used in solar, wind, and associated transmission infrastructure. The annual offshore wind market is projected to expand to over 37 GW by 2030, with China accounting for almost 50% of this increase⁶.

4,600 GW

Expected global renewable energy capacity additions between 2025-30

Digital infrastructure continues to be another key growth engine. Global data centre capacity is expected to grow at a double-digit rate, with annual hyperscale investments projected to exceed USD 300 billion by 2027⁷. Expansion of fibre networks and 5G deployment is further supporting demand for communication and power cables.

The global shift toward electric mobility is also contributing to incremental demand. Electric vehicle adoption across major markets is expected to increase significantly over the coming years, driving demand for specialised cables across charging infrastructure, battery systems, and grid connectivity.

Urbanisation and smart infrastructure development continue to support long-term growth, particularly across building wires, fire-resistant cables, control cables, and integrated infrastructure solutions. Increasing urban population and rising investments in smart cities are further strengthening demand visibility.

Overall, the global cable market remains structurally attractive, supported by sustained investments across energy transition, infrastructure development, and digital ecosystems. Regional growth drivers, particularly in developed economies and the Middle East, are expected to provide strong long-term demand visibility for the industry.

* BCG research

² JP Morgan

³ European Commission

⁴ China Daily

^{5,6} IEA

⁷ S&P

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Indian Wires & Cables (W&C) industry

The Indian Wire and Cable Industry continue to demonstrate strong structural growth, supported by robust domestic demand, increasing electrification, and sustained investments across infrastructure, power, real estate, and emerging technology-driven applications. Over the past decade, the industry has expanded significantly, reaching around ₹1 lakh crore* in FY26 and is expected to maintain a strong growth trajectory over the medium term, with demand growth estimated at approximately 1.5x–2.0x real GDP, reflecting its close linkage with economic development and infrastructure intensity.

* BCG research

~₹ 1 Lakh Cr
Estimated size of the Indian Wire and Cable industry in FY26.

A key pillar underpinning this growth is India’s ongoing power transition. Rising electricity consumption, driven by urbanisation, industrialisation, and digitalisation, is necessitating large-scale investments in generation, transmission, and distribution infrastructure. The expansion and strengthening of transmission and distribution (T&D) networks, grid modernisation initiatives, and the gradual shift toward underground cabling are driving increased demand for high-quality and technologically advanced cable solutions.

The rapid expansion of renewable energy capacity is further accelerating demand. Integration of solar and wind energy into the grid requires significant investments in evacuation infrastructure, thereby driving demand for specialized cables. Additionally, increased focus on electrification across sectors, including railways, industrial automation, and rural electrification continues to expand the scope of the industry.

Infrastructure development remains a key growth engine. Continued investments in roads, railways, metro networks, airports, ports, and urban infrastructure are creating sustained demand visibility for the sector. Government-led initiatives focused on connectivity and urban development are further strengthening the long-term demand outlook.

The real estate sector continues to provide stable demand, particularly for building wires and low-voltage cables, supported by residential and commercial construction activity. At the same time, new-age demand segments are emerging as important contributors to growth. The rapid expansion of data centres, increasing adoption of electric vehicles and development of EV charging infrastructure, rollout of 5G networks, and growth in digital connectivity are significantly expanding the industry’s addressable market.

A gradual revival in private sector capital expenditure is further supporting industry growth. Increased investments across manufacturing, industrial capex cycles, and

capacity additions in sectors such as metals, cement, chemicals, and electronics are driving incremental demand for cables and wires. This revival, coupled with continued government spending, is strengthening overall demand visibility for the sector.

The industry is also benefiting from a structural shift toward organised players. Increasing formalisation, stricter adherence to quality and safety standards, and growing preference for branded and certified products are driving consolidation in favour of established manufacturers. Organised players, with strong brands, wide distribution networks, integrated manufacturing capabilities, and execution track records, are well-positioned to capture a larger share of incremental demand.

Exports are emerging as a strong growth lever for the industry. Indian manufacturers have enhanced their global competitiveness through improvements in scale, product quality, and compliance with international standards. As a result, they are increasingly catering to global markets such as the United States, the European Union, and the Middle East. Global trends such as renewable energy expansion, grid modernisation, and supply chain diversification are creating additional opportunities for Indian players to expand their international presence.

Overall, the outlook for the Indian wire and cable industry remains highly positive, supported by strong domestic fundamentals, policy support, increasing formalisation, and growing participation in global markets.

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Fast-Moving Electrical Goods (FMEG) Industry

The Fast-Moving Electrical Goods Industry in India continued to demonstrate structural resilience during the year, supported by favourable long-term drivers such as urbanisation, rising household electrification, increasing disposable incomes, and premiumisation. The broader electricals industry, comprising fans, lighting, pumps, switches & switchgears, is expected to grow at approximately 5-6% CAGR* over CY25-29, driven by increasing adoption of energy-efficient, smart, and IoT-enabled products.

5-6%

Expected CAGR of the broader electricals industry over CY25-29

During the year, demand trends remained mixed across categories. While discretionary retail demand was influenced by weather variability and cautious consumer spending, institutional, commercial, and project-led demand provided stability, supported by infrastructure development and real estate activity.

The fans segment continued its transition toward premium and energy-efficient offerings. While the category remains highly penetrated, growth is increasingly driven by value expansion led by the adoption of BLDC (Brushless Direct Current) fans, decorative variants, and smart models. Consumers are increasingly prioritising energy savings, design, and enhanced functionality. This shift has been further supported by tightening energy efficiency norms under the Bureau of Energy Efficiency star-labelling framework, which has raised entry barriers

and accelerated formalisation. As a result, the organised segment has seen a significant increase in market share, with premium products contributing an increasing proportion of overall industry value.

The Lighting & Luminaires (L&L) segment continued to evolve, with early signs of stabilisation emerging after a period of pricing pressure. The Indian B2C lighting market is expected to grow at a CAGR of ~5% through FY30, supported by rising LED adoption, premiumisation, and improving retail demand. LEDs now account for nearly 80% of the market, reflecting a structural shift toward energy-efficient solutions. Industry focus is gradually moving from commoditised products such as bulbs and battens toward higher-value segments, including luminaires, decorative lighting, and smart lighting systems, supporting improved realizations for branded players.

The switches and switchgear segments maintained steady growth momentum, supported by housing demand, commercial construction, and ongoing electrification. The switches market, estimated at approximately ₹100+ billion, is expected to grow at around 11% CAGR over the medium term, driven by increasing adoption of modular and premium products, which now account for a majority share of industry revenues. The residential switchgear market, valued at approximately ₹30 billion, is projected to grow at a 11% CAGR, with the low-voltage segment remaining a key growth driver. Both categories continue to

benefit from increasing consumer preference for safety, reliability, and aesthetics, along with higher compliance standards.

Across segments, the industry is witnessing a steady shift toward organised players, supported by formalisation, regulatory requirements, and increasing consumer preference for branded and quality-assured products. Established players with strong brands, extensive distribution networks, and product innovation capabilities are well-positioned to benefit from this structural shift.

Overall, the FMEG industry remains structurally well-positioned, supported by long-term drivers such as premiumisation, electrification, urbanisation, and increasing adoption of energy-efficient and smart products. While near-term demand may vary across categories, the industry is steadily transitioning toward higher-value, technology-driven growth, creating a strong foundation for sustained expansion over the medium term.

Detailed discussions on the macro trends that will govern the future growth of W&C and FMEG industries can be found on page 47.

* BCG research

Performance Review



Wires & Cables (W&C) Segment

During the year, the Company continued to scale up its strategic initiative, Project Spring, which has emerged as a key driver of growth and market share gains. The initiative focuses on strengthening channel engagement, enhancing dealer and distributor productivity, and expanding presence across underpenetrated markets. Through targeted interventions, improved execution, and deeper collaboration with channel partners, the Company has been able to increase market penetration, improve wallet share, and drive stronger throughput across its distribution network.

The impact of these initiatives was reflected in the strong performance of the W&C segment, with revenues growing by 33% YoY to ₹252 billion, contributing

87% to the Company's overall revenue. Growth was broad-based, supported by both distribution-led demand and continued traction in institutional and project segments.

33%
YoY revenue growth registered by the W&C segment.

Demand during the year was led by continued investments in the power sector, particularly in power generation and renewable energy infrastructure, along with steady traction in real estate and mobility infrastructure projects. In addition, improving activity levels across select industrial sectors indicated a gradual

broad basing of demand, supported by early signs of recovery in private sector capital expenditure.

The Company's performance was also driven by its ability to effectively capture opportunities across both distribution-led and project-driven businesses. A well-balanced presence across retail, institutional, and infrastructure segments enabled the Company to deliver consistent growth despite evolving demand dynamics.

The product mix continued to evolve in line with industry trends, with cables registering stronger growth compared to wires, driven by higher demand from infrastructure and industrial applications. This shift supported overall growth and contributed to enhanced market positioning. Based on industry estimates, the Company further strengthened its leadership position in the domestic organised W&C market, with market share improving to approximately 30-31%.

From a cost management perspective, the Company demonstrated resilience in navigating commodity price volatility. A disciplined approach toward procurement and a structured hedging strategy, including the use of forward contracts and embedded derivative mechanisms, enabled effective management of input cost fluctuations. This, combined with timely pricing actions and operational efficiencies, supported stability in margins.

Geographically, the Company witnessed broad-based growth across regions, with

a balanced contribution from key markets. Both distribution and institutional channels continued to perform well, reflecting the strength of the Company's extensive network and execution capabilities across diverse customer segments.

Profitability remained within the guided range, with EBITDA margins at 13.9%, supported by improved operating leverage and ongoing efficiency initiatives.

Overall, the W&C segment's performance during the year reflects the Company's strong execution capabilities, deep market presence, and ability to effectively leverage structural growth opportunities. Continued focus on strengthening distribution, expanding market reach, and enhancing operational efficiency positions the Company well to sustain its growth momentum and further consolidate its leadership in the domestic W&C industry.

Domestic Cables

The domestic cables business delivered a strong performance during the year, registering double-digit volume growth, supported by robust demand across key sectors. The Company's ability to effectively service a wide and diverse customer base enabled it to translate underlying market demand into steady growth.

A key enabler of this performance has been the strength of the Company's distribution network, which continues to serve as the major growth engine for the business. With a well-established dealer and distributor ecosystem and extensive market reach, the

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Company has been able to ensure product availability, improve service levels, and drive higher throughput across markets.

During the year, the Company further strengthened its go-to-market approach under Project Spring, with a sharper focus on enhancing channel productivity and deepening market presence. As part of this initiative, the Company has transitioned toward an industry-focused model, enabling a more solution-oriented engagement with customers. This approach allows the Company to better align its offerings with specific end-user requirements across sectors such as infrastructure, industrials, real estate, and utilities, thereby moving beyond a product-led approach toward delivering integrated solutions. This strategic shift, combined with deeper channel engagement, has enabled the Company to improve wallet share, strengthen customer relationships, and expand its presence across underpenetrated markets.

The cables segment continued to demonstrate strong momentum, benefiting from increasing demand for higher-specification products across applications. The Company's comprehensive product portfolio, supported by consistent execution and supply reliability, enabled it to effectively cater to evolving market requirements.

Overall, the domestic cables business remains well-positioned to sustain its growth momentum, supported by a strong distribution backbone, enhanced solution capabilities, and continued focus on execution excellence.

Cable Exports

The Company's cables export business continued to expand its international footprint during the year, with exports contributing ₹15.7 billion, accounting for 5.4% of the consolidated topline. The business has established a diversified presence across 90+ countries, supported by a robust order book and healthy demand visibility across key regions.

₹ 15.7 Bn

Revenue contributed by the cables export business during the year.

During the year, the export business operated in a dynamic global environment marked by multiple external headwinds. In the United States, evolving tariff measures and trade policy actions impacted pricing competitiveness and led to relatively cautious demand conditions in certain segments. During the year, the Company undertook a revamp of its distribution model in the U.S., with a sharper focus on strengthening channel partnerships, improving last-mile reach, and enhancing customer responsiveness. These initiatives are expected to support improved traction and market penetration over the medium term.

In the European Union, demand remained relatively stable, supported by ongoing investments in renewable energy, grid modernisation, and infrastructure

upgrades. The region continues to present opportunities in higher-specification and compliant product segments, where the Company has been steadily strengthening its presence through enhanced certifications and product approvals.

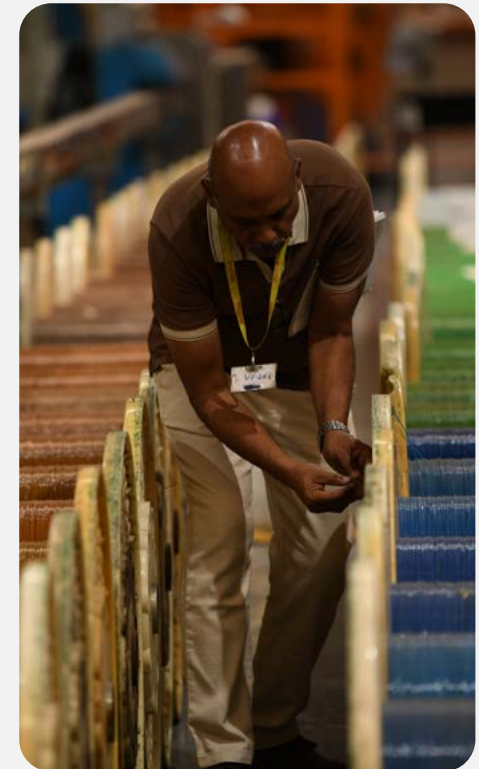
The Middle East remained an important market, driven by investments in infrastructure, energy, and industrial development. However, toward the latter part of the year, escalating geopolitical tensions in the region led to supply chain disruptions and project-level delays, impacting execution momentum, particularly during the fourth quarter. Despite this, underlying demand remains strong, supported by long-term economic diversification programs and continued investments across sectors.

Across other international markets, including parts of Latin America, Australia and Africa, the Company continued to see steady progress, supported by increasing electrification, infrastructure development, and industrial activity. These markets offer incremental growth opportunities, particularly in standard and mid-specification cable segments, where reliability and cost competitiveness are key.

The Company continues to be well-positioned to capitalise on global export opportunities, supported by its strong manufacturing capabilities, compliance with international quality standards, and expanding product portfolio. Increasing global focus on supply chain diversification, along with the "China+1" sourcing strategy,

is further enhancing opportunities for Indian manufacturers in global markets.

While the year was characterized by external headwinds across regions, the underlying demand environment remains structurally robust. With a diversified geographic presence, a strengthened go-to-market approach in key markets such as the United States, and a healthy order pipeline, the Company is well-positioned to scale up its export business and enhance its contribution to overall growth over the medium term.



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Special Purpose Cables (SPC)

The Special Cables (SPC) business represents a niche, technology-driven segment focused on high-performance cable solutions for critical applications across railways, defence, and automotive, including electric mobility. The business operates in segments characterised by stringent qualification requirements, high reliability standards, and strong entry barriers, supported by the Company’s robust manufacturing and quality capabilities.

During the year, the SPC business delivered a steady performance, with growth led by the railways and automotive segments. The railways business continued to remain the primary contributor, supported by sustained engagement with Indian Railways and increasing participation across rolling stock programs and associated ecosystem players. The Company also continued to strengthen its product offerings in line with evolving requirements and international standards.

In the defence segment, the Company maintained its strategic focus and secured key orders, reinforcing its presence in high-specification applications. The business continues to build capabilities aligned with indigenisation initiatives and long-term opportunities in the sector.

The automotive and EV segment emerged as a key growth driver, supported by increasing electrification and localisation trends. The Company expanded its presence across leading OEMs and continued to develop specialised solutions catering to

evolving requirements in electric mobility and advanced automotive applications. The SPC business is supported by strong in-house capabilities, including advanced manufacturing infrastructure and focused R&D, enabling the development of customised solutions for complex applications. This, coupled with a disciplined approach to project selection and execution, has supported stable margins and efficient working capital management.

Overall, the SPC business remains well-positioned to benefit from structural growth opportunities across its key end markets. Its focus on high-entry-barrier segments, technology-led offerings, and increasing alignment with indigenisation and electrification trends provides a strong foundation for sustained growth over the medium term.



Domestic Wires

The domestic wires business delivered a steady performance during the year, supported by resilient demand across residential and small commercial segments. Demand in this category remains closely linked to housing activity, renovation cycles, and retail electrical consumption, making it relatively stable and consumption-driven in nature.

Over the past few years, the Indian real estate sector has witnessed a strong upcycle, characterised by record project launches and healthy sales momentum across key markets. This has translated into sustained demand for electrical products, including wires, across both new construction and interior fit-out phases. The robust pipeline of ongoing and upcoming residential projects provides strong visibility for continued demand, supporting the growth outlook for the wires segment over the medium term.

Against this backdrop, the Company continued to leverage its strong brand equity and extensive distribution network to maintain its leadership position in a competitive market. Its wide reach across urban as well as semi-urban markets, supported by strong dealer and retailer relationships, enabled consistent product availability and steady offtake across regions.

Over the past few years, the Company adopted a price laddering strategy to address a wider spectrum of customer

segments through differentiated value propositions. This approach has enabled the Company to cater effectively to varied price sensitivities, improve product mix, and enhance competitiveness across markets.

The business also witnessed encouraging traction in its premium offerings, particularly in the green wires segment, which has seen strong customer acceptance driven by increasing awareness around safety, sustainability, and product performance. In parallel, the Company’s brand Etira, focused on Tier 2-5 markets, continued to gain traction, enabling deeper market penetration and facilitating market share gains from the unorganised segment.

The Company further strengthened its engagement with the broader electrical ecosystem through focused initiatives aimed at electricians and retailers. Efforts such as loyalty programs, structured training and upskilling initiatives, and value-added support, including insurance and professional certification, have helped build stronger relationships, enhance brand preference, and improve last-mile connectivity.

Overall, the domestic wires business continues to provide a stable and scalable foundation for the Company, supported by strong distribution reach, a well-segmented product portfolio, and sustained demand visibility from the real estate sector. The business remains well-positioned to benefit from structural drivers such as urbanisation, rising housing demand, and increasing preference for quality and safety in electrical infrastructure.

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W&C: Business Outlook

The Wires & Cables business continues to anchor the Company’s growth, supported by its strong market position, diversified demand exposure, and consistent execution. During the year, the business demonstrated resilience despite a dynamic external environment, reinforcing its leadership position and providing a strong base for future growth.

As the Company progresses through Project Spring, the focus is on building on this momentum by strengthening market reach, enhancing customer engagement, and expanding its role across applications. The demand environment remains favourable, supported by structural drivers across both infrastructure-led and consumption-driven segments.

In the domestic market, growth visibility remains strong, driven by sustained investments in the power sector, renewable energy, and infrastructure development. The government’s continued focus on electrification, grid modernisation, and large-scale infrastructure creation is expected to drive long-term demand for cables. At the same time, the real estate sector continues to witness a multi-year upcycle, with record launches and healthy sales momentum translating into a robust pipeline of projects. This provides strong visibility for demand across residential and

commercial applications, supporting growth in both cables and wires.

The Company’s distribution-led model remains a key strength, enabling efficient demand capture across geographies. Under Project Spring, the Company is further deepening its channel engagement, improving reach, and enhancing throughput across its dealer and distributor network. In addition, the transition toward a vertical and industry-focused approach is enabling the Company to move from a product-centric model to a more solution-oriented engagement with customers, thereby strengthening relationships and increasing its participation across end-use segments.

On the exports front, the year witnessed certain headwinds, including tariff-related actions in the United States and geopolitical disruptions in the Middle East, which impacted demand and execution in specific markets. However, the underlying global opportunity remains strong, supported by investments in energy transition, infrastructure, and industrial development. The Company’s efforts to refine its go-to-market approach, including strengthening its distribution model in the USA, are expected to support gradual scale-up in exports over the medium term.

Alongside growth initiatives, the Company continues to focus on premiumisation and

product mix improvement, with increasing traction in higher-specification cables and value-added offerings. This is expected to support both growth and margin resilience over the medium term.

Overall, the W&C business remains well-positioned to sustain its growth trajectory, supported by strong demand fundamentals, a robust distribution backbone, and focused strategic execution under Project Spring. As the largest contributor to the Company’s revenues and profitability, the segment will continue to play a central role in driving sustainable growth and strengthening the Company’s leadership position over the long term.



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Fast-Moving Electrical Goods (FMEG)

Fast-Moving Electrical Goods (FMEG)

The FMEG business registered robust growth of 25% during the year, contributing 7% of the Company’s topline. The robust performance was driven by the successful execution of various strategic initiatives, including business restructuring, channel expansion, product architecture enhancements, brand building and the implementation of the influencer management program. These efforts have contributed to strong revenue expansion across all product categories, reinforcing the Company’s position in the highly competitive FMEG industry. Moreover, the business remained profitable for the last 5 quarters despite higher A&P spending. This is an important inflection point for the FMEG business, whereby, going ahead, this

* BCG research

business is expected to generate consistent improvement in profitability and contribute to the Company’s bottom-line growth.

During the year, the Company actively pursued a multi-pronged growth strategy to further strengthen its presence in the FMEG industry and capitalise on emerging opportunities. A key focus was on expanding the distribution network into previously untapped markets, ensuring greater accessibility and deeper market penetration with 2,900+ FMEG dealers and distributors pan-India.

2,900+
FMEG dealers and distributors
pan-India

To better address regional demand variations and enhance consumer reach, the

Company initiated adopting a micro-market strategy, segmenting key geographies into smaller, high-potential clusters based on local market dynamics, economic activity, and consumer behaviour. This strategy allows for customised product positioning, targeted marketing efforts, and optimised distribution, ensuring that each micro-market’s unique demand patterns are effectively addressed. By leveraging data-driven insights and localised engagement strategies, the Company is strengthening its ability to drive higher sales conversion, improve service levels, and deepen brand presence across urban, semi-urban, and rural markets.

The Company remains committed to enhancing brand visibility, consumer engagement, and loyalty, consolidating its market position, and driving sustained long-term growth. During the year, the Company undertook several above-the-line (ATL) and below-the-line (BTL) marketing initiatives curated as per the target customer segment of each product category. In line with the evolving electrical solutions landscape, the Company’s target is to increase its A&P spends to be in the range of 3%-5% of the B2C topline, ensuring consistent brand-building efforts while maintaining financial discipline.

The Company’s efforts towards restructuring the FMEG business, by creating separate product-level verticals, helped further accelerate growth and improve operational efficiency, allowing for a sharper focus on individual product categories, optimised

decision-making, and improved resource allocation. This transition is expected to enhance performance across the segment, streamline processes, and drive sustainable growth in the long term.

With these structural improvements and strategic initiatives in place, the Company remains well-positioned to capture market share and establish itself as a leading player in the segment.

Fans

The Indian fans industry has reached ~₹175 billion* in size and is projected to expand at a CAGR of ~7%* till FY 2029-30. The Company’s FMEG business outgrew the industry during the year, supported by rising consumer demand, expanding distribution reach, and increasing adoption of energy-efficient models. The segment also benefited from growing premiumization and urbanisation, and heightened awareness of energy efficiency, which drove demand for BLDC fans and premium fans.

~₹175 Bn
Estimated size of the Indian
fans industry

The Company continued to enhance its product portfolio, catering to diverse consumer preferences across different price segments. The Company’s focus on design innovation, superior performance, and durability has reinforced consumer confidence, supporting higher sales volumes.

Management Discussion and Analysis

Currently, the premium category contributes approximately 25% of the total fan revenue.

By leveraging robust R&D capabilities and in-house manufacturing, the Company remains committed to consistently delivering superior quality products that meet evolving consumer demands. With strong distribution expansion, deeper market penetration, and a growing preference for energy-efficient and smart fans, the Company is well-positioned to capture further market share in the segment.

Lighting and Luminaires (L&L)

The L&L industry in India continues to evolve, driven by technological advancements and changing consumer preferences for smart lighting and architectural LED solutions. During the year, the industry grew by mid-single digits to reach ₹250+ billion in size*.

The Lighting industry continued to face pricing challenges during the year, with price erosion leading to continued price declines across the B2C lighting segment, impacting growth. However, despite these headwinds, the Company's L&L segment had a healthy performance, with consumer lighting products such as LED downlights, panels and COBs remaining key volume drivers, while professional lighting applications continued to gain traction in commercial and infrastructure projects.

The company is also investing in digital enablement, data analytics and channel engagement platforms to enhance business efficiency and improve decision-making capabilities. Strong engagement

with distributors, retailers, electricians and project partners remains central to Polycab's strategy as it continues to deepen its market presence and strengthen customer relationships. The Company accelerated its efforts towards brand positioning and investments in R&D, reinforcing its commitment to delivering innovative, energy-efficient, and sustainable lighting solutions.

Looking ahead, the L&L business is expected to benefit from increasing urbanisation, smart city developments, and the growing preference for premium and smart lighting solutions. The Company remains focused on product innovation, expanding its distribution footprint, and deepening its presence in the premium lighting segment, ensuring long-term sustainable growth.



Switches & Switchgears

In FY 2025-26, the B2C switches and the low-voltage switchgears industry are expected to have grown in high single digits, respectively, to reach ₹100+ billion* and ~₹ 30 billion* in size, respectively. The Company's Switches & Switchgears business recorded strong double-digit growth during the year, supported by higher real estate activity, increased urban development, and rising demand in residential and commercial segments.



The switches category continued to gain traction, with the Etira series, catering to the demand for cost-effective solutions, playing a pivotal role in driving sales during the year. Additionally, the Levanna series, positioned as a premium offering, made a good contribution, reflecting the increasing shift toward high-end and design-oriented switches. The segment's success was further supported by the Company's in-house manufacturing and deepening market penetration across urban and semi-urban areas.

The switchgear business demonstrated robust growth, benefiting from higher demand for quality circuit protection devices in real estate projects. The 6kA MCBs launched in FY24 continue to receive good

response, with the range contributing 13% of total switchgear sales during the year. Through consistent growth of the last few years, Polycab now counts itself among the Top 5 Indian B2C switchgear companies by market share. Moreover, the switchgears business is now a double-digit EBITDA business for the Company.

A strategic focus on cross-selling opportunities through the existing wire distributor network is yielding positive results, allowing the Company to leverage its strong distribution ecosystem to enhance product reach and sales efficiency. To maintain the highest quality standards, the company manufactures all components in-house, ensuring the use of premium raw materials and precision-engineered components that meet strict industry standards.

Looking ahead, the Switches & Switchgears business is well-positioned for sustained growth, supported by rising infrastructure investments, increased adoption of smart home solutions, and growing demand for energy-efficient and safety-compliant electrical systems. The Company remains focused on product innovation, further distribution expansion, and increasing the contribution of switches and switchgear within the FMEG segment, ensuring long-term profitable growth in the category.

* BCG research

Management Discussion and Analysis

Conduits and Fittings

The Conduits and Fittings business also registered a robust double-digit growth, leveraging the sustained strong momentum in the real estate sector. Conduits and fittings play a crucial role in routing and safeguarding electrical wiring, manufactured from premium-grade waterproof and fire-resistant polymers to ensure enhanced safety and durability for electrical circuits. Typically installed within walls, these products are low-ticket items, often resulting in relatively lower customer awareness regarding quality standards.

The market for conduits and fittings remains highly fragmented, with low barriers to entry and a significant share held by unorganised players. Recognising the vast potential within this segment, the Company remains strategically focused on strengthening its market position. Key initiatives include leveraging cross-selling opportunities through the existing W&C distribution network, expanding the direct-to-consumer (D2C) channel, and driving consumer education through quality awareness campaigns. These efforts are expected to enhance market penetration, improve brand visibility, and accelerate the adoption of high-quality conduit solutions.

With rising awareness about electrical safety, fire-resistant installations, and structured cabling requirements in commercial buildings, data centres, and smart city projects, the demand for premium conduit solutions is expected to grow steadily.

Other FMEG Categories

Our other FMEG business primarily comprises solar products, which delivered a multi-fold growth during the year. The solar power market in India is undergoing a period of exceptional expansion, driven by a strong government commitment to decarbonization and energy security. The Ministry of New and Renewable Energy targets 500 GW non-fossil-based electricity generation by 2030, as per the Prime Minister's COP26 announcement⁸. The solar category is witnessing a record-breaking expansion, with India's cumulative installed solar capacity crossing 150 GW+ in April 2026⁹. This significant growth is propelled by a combination of aggressive central schemes, economic shifts, and low generation costs.

* BCG research
^{8,9} Government of India

FMEG: Business Outlook

The FMEG industry in India is poised for growth, supported by favourable demographics, rapid urbanization, rising disposable income, and increasing brand consciousness among consumers. The real estate upcycles, infrastructure expansion, and growing preference for premium and energy-efficient electrical solutions are further driving demand across both residential and commercial segments. Additionally, government-led initiatives such as smart cities, electrification projects, and housing development continue to create new opportunities for the industry.

The FMEG industry is expected to grow at a CAGR of ~5-6%*, fuelled by higher adoption of premium products, increasing consumer spending, and technological advancements. Premiumization remains a key trend, with consumers shifting toward energy-efficient and smart electrical products such as BLDC fans, modular switches, smart lighting, and automation-enabled electrical solutions. The lighting segment is also transforming, with a growing preference for architectural LED solutions and connected lighting systems.

~5-6%

Expected CAGR of the FMEG industry

Under Project Spring, the Company aims to accelerate the growth of its FMEG business,

targeting a pace of 1.5x to 2x the market growth and positioning itself among the top players across key product categories by FY 2029-30. This strategy will be driven by distribution expansion, portfolio diversification, and increased brand investments. The Company is scaling its presence in Tier-2 and Tier-3 cities, enhancing its influencer management program, and deepening engagement with electricians, contractors, and retailers to strengthen consumer reach.

The institutionalisation of a micro-market strategy remains a core pillar of the growth roadmap, allowing the Company to address regional demand variations with tailored product offerings and localised marketing strategies. By leveraging data analytics and digitisation, the Company aims to enhance supply chain efficiency, optimise inventory management, and improve service levels across all key markets.

To support its long-term growth, the Company continues to invest in inhouse manufacturing capabilities, automation, and process optimisation, ensuring cost efficiency and improved margins. The Company is targeting to achieve FMEG EBITDA margins of 8-10% by FY 2029-30.

With a strong foundation, increasing demand for high-quality electrical solutions, and a focused execution plan, the FMEG business is well-positioned for sustained growth, stronger market share, and long-term profitability.

Management Discussion and Analysis



EPC Segment

The Engineering, Procurement & Construction (EPC) business recorded revenue of ₹16.7 billion, declining by 13.2% YoY, primarily due to project execution timelines.

₹ 16.7 Bn

Revenue recorded by the Engineering, Procurement & Construction (EPC) business during the year.

During the year, the Company secured significant contracts under BharatNet Phase-III, aggregating to approximately ₹80 billion, for the development of optical fibre cable (OFC) networks across states such as Karnataka, Goa, Bihar, and Tamil Nadu. These projects are aimed at strengthening rural digital connectivity by linking Gram

Panchayats and will be executed over three years, followed by long-term operations and maintenance (O&M) over ten years. Project execution has commenced, with revenue contribution expected to scale up from the next financial year.

The segment reported an EBIT of ₹1.7 billion, with margins at 9.9%, reflecting disciplined project execution and effective cost management. The EPC business contributed 6% to the Company's consolidated revenues during the year.

The segment continues to play a strategic role in the Company's portfolio by enabling participation in large infrastructure projects, thereby supporting incremental demand for the core Wires & Cables business. The Company remains focused on execution efficiency, working capital discipline, and selective project participation to ensure sustainable performance.

EPC: Outlook

The EPC business will continue to remain a strategic lever for the Company, primarily serving as a forward integration platform to drive incremental demand for its Wires & Cables portfolio. The Company's ability to participate in large-scale infrastructure projects enables it to enhance product offtake while strengthening its overall market positioning.

Projects under RDSS and BharatNet are expected to drive execution momentum, with BharatNet contributing meaningfully to revenues from the upcoming financial year. In addition, the Company continues to build capabilities in higher-value segments such as Extra High Voltage (EHV) projects, which are expected to open incremental opportunities over the medium term.

Despite strong growth visibility, the Company will continue to follow a calibrated approach toward the EPC segment, with a focus on selective bidding and disciplined execution. The segment is not expected to scale materially relative to the core business and is likely to remain in the high single digits as a proportion of overall revenues.

From a profitability perspective, the Company remains focused on maintaining stable and sustainable margins. While margins may vary depending on project mix and execution timelines, the long-term

objective is to operate within a disciplined range aligned with industry benchmarks, while preserving overall profitability through integrated cable supply within EPC contracts.

Overall, the EPC business is well-positioned to benefit from increased investments in power distribution, rural electrification, and digital infrastructure. With a strong order book, improving execution capabilities, and a clear strategic role within the portfolio, the segment is expected to continue delivering steady performance while supporting the growth of the Company's core businesses.

Management Discussion and Analysis

Internal Control Systems and Adequacy

The Company maintains a robust framework of internal controls that are in accordance with the nature and size of the business. The framework addresses the evolving risk complexities and underpins the Company's strong corporate culture and good governance. The Internal Audit plan is approved by the Audit Committee at the beginning of every year. The purpose of an internal audit is to examine and evaluate the internal controls and risks associated with the Company's operations. It covers factories, warehouses, and centrally controlled businesses and functions.

While these controls comply with the terms of the Companies Act, 2013, and the globally accepted framework issued by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission, they are also regularly tested by statutory and internal auditors for their effectiveness.

The framework is a combination of entity-level controls that include enterprise risk management, legal compliance framework, internal audit and anti-fraud mechanisms such as the Ethics Framework, Code of Conduct, Vigil Mechanism and Whistle-Blower Policy, and process-level controls, IT-based controls, period-end financial reporting and closing controls. The Company has clearly defined the policies, SOPs, Financial & Operation RAPID (Delegation of Authority), and organisational structure to ensure smooth conduct of its

business. Technologies are leveraged in process standardisation, automation, and their controls.

The extensive risk-based process of internal audits and management reviews provides assurance to the Board with respect to the adequacy and efficacy of internal controls. Internal audit reports are reviewed by the Audit Committee every quarter. Furthermore, the Committee also monitors the management actions implemented because of the internal audit reviews. Polycab is mindful of the fact that all internal control frameworks have limitations. Therefore, it conducts regular audits and review processes to ensure that the systems are continuously strengthened to improve effectiveness. The management has evaluated the operative effectiveness of these controls and noted no significant deficiencies or material weaknesses that might impact the financial statements as of 31 March 2026.

Human Resources

Polycab firmly believes that employees are the lifeblood of the Company, serving as its most valuable asset and driving force behind its success. Their dedication, creativity, and passion fuel innovation, drive productivity, and foster customer satisfaction. Moreover, employees embody the Company's values and mission, serving as ambassadors both within the organisation and in the broader community. Recognising the significance of employees, Polycab prioritises their well-being, growth and engagement.

Areas of focus for the Human Resources Department include:

Diversity & Inclusion

Embracing diversity and fostering an inclusive workplace culture is paramount to the Company's values. By respecting and valuing differences in perspectives, backgrounds, and experiences, the Company enriches its work environment and promotes innovation and creativity

Learning & Development

The Company prioritises investing in its employees' development through various training programmes, workshops, and continuous learning opportunities. By empowering employees to enhance their skills and knowledge, the Company fosters a culture of growth where individuals can thrive and reach their full potential. Recognising this, the Company introduced learning and development initiatives aimed at upskilling and reskilling its workforce.

Rewards & Recognition

Acknowledging and appreciating employees' contributions is integral to fostering a culture of excellence. The Company implements robust recognition and reward systems to celebrate achievements and encourage high performance. This not only motivates employees but also reinforces a sense of pride and ownership in their work.

Employee Engagement

Continuous employee engagement and feedback play a pivotal role in fostering a

thriving organisational culture and driving sustained success. By actively involving employees in the decision-making process, soliciting their feedback, and valuing their perspectives, the Company demonstrates its commitment to employee empowerment and development. This engagement not only enhances employee morale and satisfaction but also cultivates a sense of ownership and accountability among team members. Moreover, regular feedback loops enable the Company to identify areas for improvement, address concerns, and adapt strategies to meet evolving needs and challenges. Ultimately, by prioritising continuous employee engagement and feedback, the Company fosters a culture of transparency, trust, and collaboration, which in turn leads to higher levels of innovation, productivity, and employee retention.

Transparent Communication

Building trust within the organisation starts with transparent communication. The Company ensures open channels of communication at all levels, where employees feel heard, valued, and informed about important decisions and developments. This transparency cultivates trust and fosters a collaborative environment where everyone feels empowered to contribute.

Further details on the initiatives taken by the Company under the above heads are presented on pages 74 to 82 of the Integrated Annual Report.