

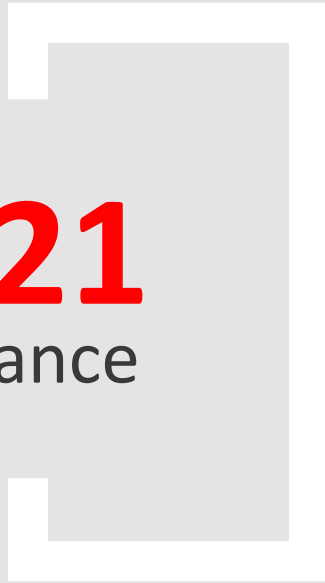
Q1 FY2021

Earnings Presentation

21 July 2020

Q1 FY2021

Financial Performance



Key Highlights



Top-line (Revenue)

Q1 FY21: 9,766 mn

≡ -50% Y-o-Y

≡ -54% Q-o-Q



Operating (EBITDA)

Q1 FY21: 563 mn

≡ -75% Y-o-Y

≡ -81% Q-o-Q



Profitability (PAT)

Q1 FY21: 1,176 mn

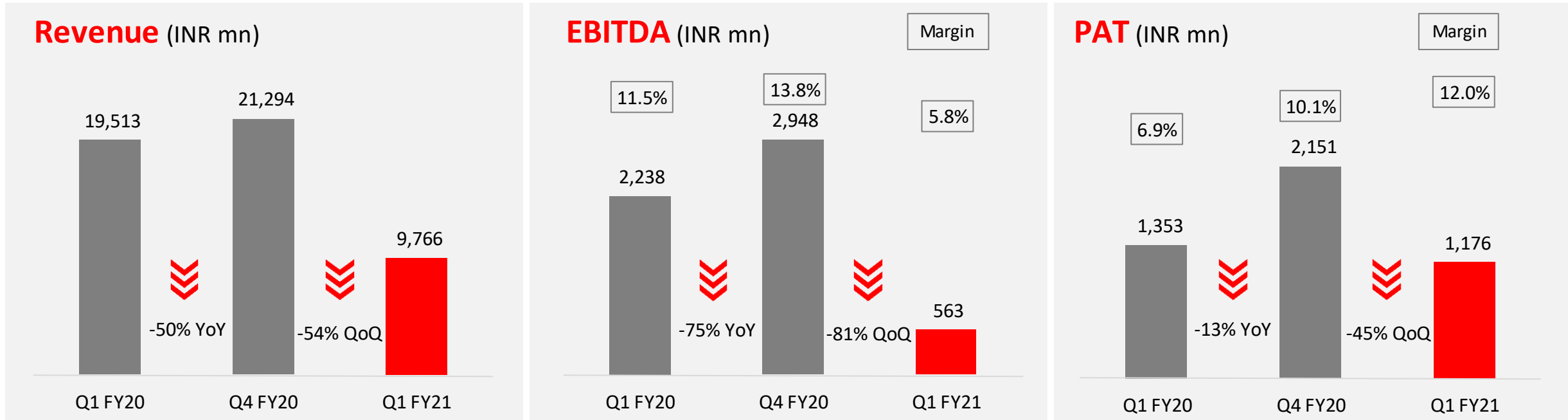
≡ -13% Y-o-Y

≡ -45% Q-o-Q



Notes: (1) Numbers on consolidated basis (2) Revenue: Revenue from operations (3) PAT: Profit After Tax on reported basis and includes exceptional items as explained on slide 9 (4) EBITDA excludes other Income

Q1 FY20: Severely impacted by outbreak of pandemic

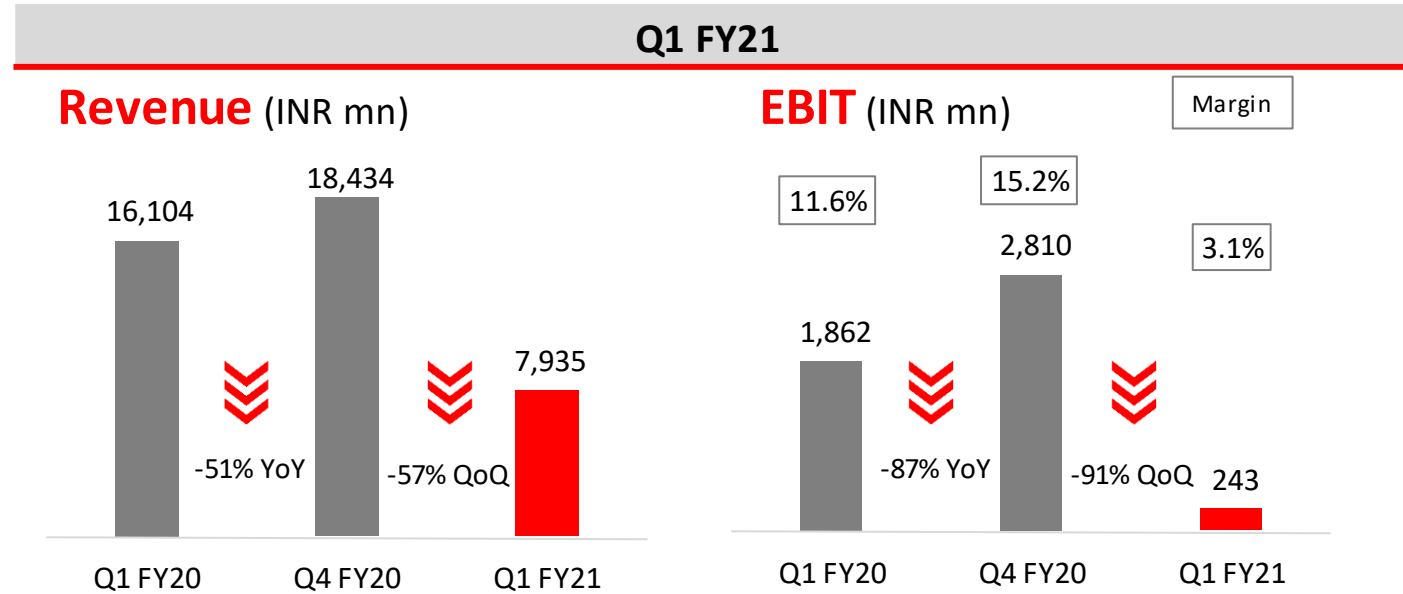


- Revenue declined by 50% YoY and 54% QoQ severely impacted by COVID-19 outbreak
- EBITDA margins declined by 571ps YoY and 808bp QoQ due to adverse operating leverage
- PBT before exceptional items at 294mn declined by 86% YoY. PBT margin at 3% declined by 758bps YoY
- PAT margin at 12% was up sharply by 510bp YoY largely driven by one-off items as explained on slide 9

Notes: (1) Consolidated basis in INR mn (2) Revenue: Revenue from operations (3) EBITDA Margin: EBITDA / Revenue (4) EBITDA excludes other Income (5) PAT: Profit After Tax on reported basis and includes exceptional items as explained on slide 9 (6) PAT Margin: Profit after Tax for the period divided by Revenue

Wires and Cables

- Total income in Q1 FY21 declined by 51% YoY due to severe impact of COVID-19 outbreak.
- Domestic sales were hampered by nationwide lockdown. Domestic distribution channel sales were half of last year while institutional business was impacted severely due to delays in order finalisation.
- Within domestic distribution channel sales, housing wires business saw great traction posting a strong double digit growth in month of June. However it is likely to be driven by pent up demand and pre-stocking due to price hikes. Consumer footfalls in retail still remain low especially in large metros.
- Dangote Project linked sales were nil in Q1. Despite that exports posted robust growth of 116% YoY led by good traction in select developed geographies. It contributed over 10% to overall top-line vs 2% in Q1FY20.
- Profitability deteriorated on account of adverse operating leverage



Notes: (1) Consolidated basis in INR mn (2) Total income excludes finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income

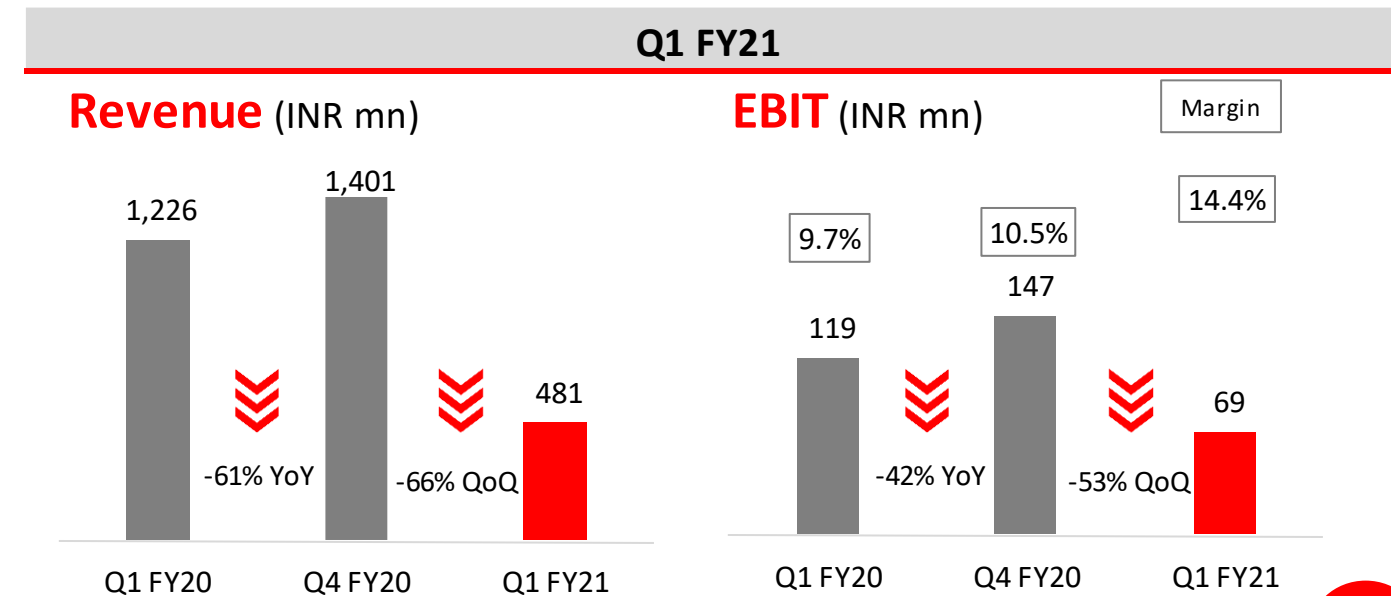
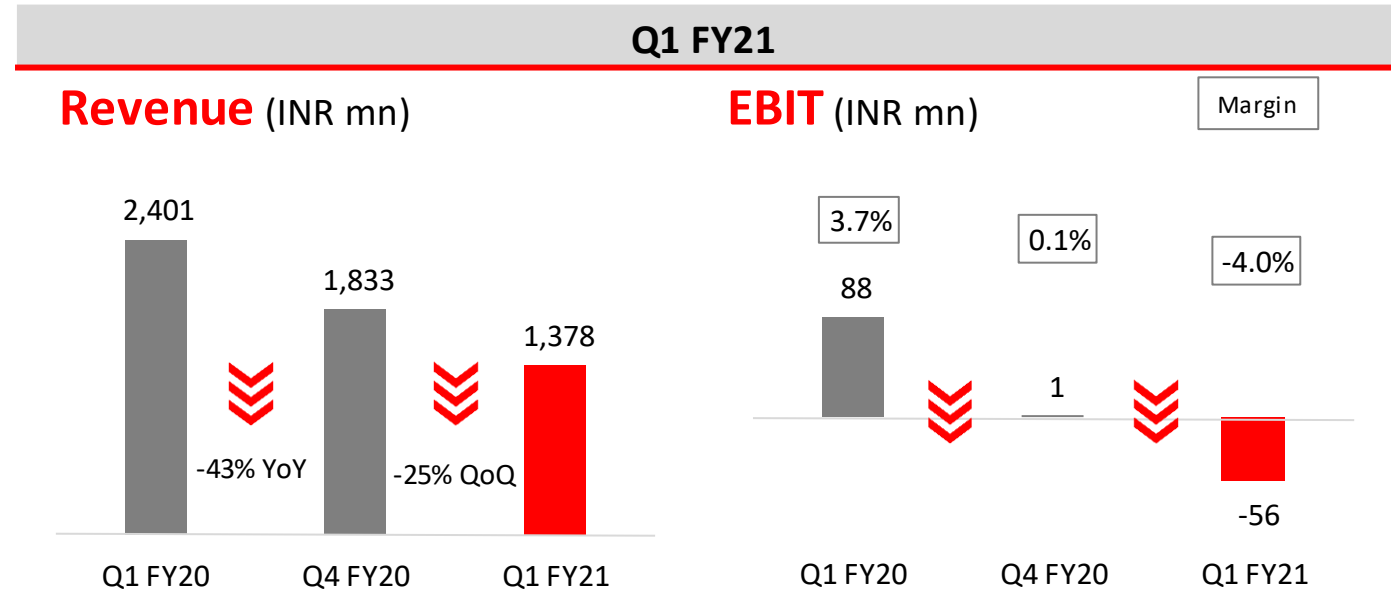
Fast Moving Electrical Goods

- Total income in Q1 FY21 declined by 43%. FMEG contribution to overall sales increased 177bp YoY to 14% in Q1 FY21. June was close to flattish however there maybe an element of pent up demand. Overall trade sentiment and consumer footfalls in retail channel remains low.
- Lighting and Agro pumps saw better progress. Fans was impacted as April and May are typically key summer stocking periods.
- Adverse leverage led to operating loss

Others

- Other segment which largely comprises of our EPC business was impacted due to stalled execution on account of lockdown.
- Total income in Q1FY21 declined by 61% YoY. Operating profitability was higher.
- Annual sustainable operating margin in this business is expected to be in high single digit over mid to long term

Notes: (1) Consolidated basis in INR mn (2) Total income excludes finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income



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E-Mail: dhs.health@vsnl.com | dhs@vsnl.com | dhs.vadodara@gmail.com

Date: 08/07/2020

Dear Sir,

I undersigned **Dr. Uday Tilavat** hereby appreciate your noble work of sponsoring 500 pcs. of Pulse Oximetre to health department, district panchayat, Vadodara. In this pandemic situation of COVID-19 Government machinery is working very hard since 15th March 2020. Government of Gujarat is supporting in every aspects, we would like to serve in 660+ villages of 8 different talukas of Vadodara district through 42 Phcs, 10Chcs and 242 Sub Centres. This Pulse Oximetre is useful in Dhanvantari Rath and at the same time during surveillance at every villages. We shall definitely help people for early detection. It will reduce burden at hospital level and at the same time patients does not have to undergo for long tense treatment of corona.

We are very much obliged by your CSR Activities. I am Thankful to Polycab India Ltd. and Polycab Social Welfare Foundation for helping Vadodara District Panchayat in this Situation.

Thanking You,
Your Sincerely

To:
Shri, Rakesh Talati,
Director
Polycab India Ltd
Baska, Haldol.



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Financial Statements

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Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter					
	Q1FY21	%	Q4FY20	%	Q1FY20	%
Revenue from Operation	9,766	100.0%	21,294	100.0%	19,513	100.0%
Cost of Goods sold	7,097	72.7%	14,769	69.4%	14,278	73.2%
Contribution (A)	2,669	27.3%	6,525	30.6%	5,235	26.8%
Employee cost	812	8.3%	899	4.2%	920	4.7%
Other Operating Expenses	1,282	13.1%	2,620	12.3%	2,079	10.7%
Total Operating Expenses (B)	2,094	21.4%	3,519	16.5%	2,999	15.4%
Share of profit/(loss) of JVs (Net of tax) (C)	-12	-0.1%	-58	-0.3%	2	0.0%
EBITDA (A)-(B)+(C)	563	5.8%	2,948	13.8%	2,238	11.5%
Other Income	336	3.4%	465	2.2%	336	1.7%
Depreciation	443	4.5%	422	2.0%	385	2.0%
Finance Cost	163	1.7%	159	0.7%	123	0.6%
Exceptional items	97	1.0%	0	0.0%	0	0.0%
PBT	391	4.0%	2,831	13.3%	2,066	10.6%
Income Tax	-785	-8.0%	680	3.2%	713	3.7%
PAT	1,176	12.0%	2,151	10.1%	1,353	6.9%
One off Items (INR mn)	Q1FY21	%				
(-) Income tax refund	839	8.6%				
(-) Interest on income tax refund (Other income)	164	1.7%				
(-) Gain on previously held equity interest in Ryker (Exceptional Items)	97	1.0%				
Adjusted PAT	75	0.8%				

Consolidated Balance Sheet

Particulars (INR mn)	Jun'20	Mar'20	Jun'19
<u>Assets</u>			
<u>Non-current Assets</u>			
Fixed Assets	19,160	16,632	15,562
Other Non-current Assets	2,458	2,485	2,536
Total Non-current Assets	21,618	19,117	18,097
<u>Current Assets</u>			
Inventories	19,928	19,250	18,470
Trade Receivables	12,044	14,336	11,420
Investments	3,093	400	4,062
Cash and Bank Balances	3,288	2,813	4,547
Others - Current Assets	2,317	3,700	3,213
Total Current Assets	40,671	40,499	41,712
Total Assets	62,289	59,616	59,809

Particulars (INR mn)	Jun'20	Mar'20	Jun'19
<u>Equity and Liabilities</u>			
<u>Shareholder's Funds</u>			
Share Capital	1,489	1,489	1,486
Reserves and Surplus	38,320	36,875	31,812
Total Shareholder's Funds	39,810	38,364	33,299
Minority Interest	150	150	92
<u>Non-current Liabilities</u>			
Borrowings	1,464	107	574
Others - Non-current Liabilities	1,214	904	942
Total Non-current Liabilities	2,679	1,011	1,517
<u>Current Liabilities</u>			
Short-term Borrowings	2,263	1,115	554
Trade Payables	11,709	13,537	14,706
Others - Current Liabilities	5,679	5,440	9,642
Total Current Liabilities	19,651	20,091	24,902
Total Equity and Liabilities	62,289	59,616	59,809

Consolidated Cash Flow Statement

Particulars (INR mn)	Quarter		
	Q1FY21	Q4FY20	Q1FY20
Net Cash Flow from Operating Activities	3,042	-2,980	3,663
Net cash flow from/(used in) investing activities	-3,165	5,333	-5,762
Net cash flow from/(used in) financing activities	615	-1,195	2,801
Net Increase / (Decrease) in cash and cash equivalents	492	1,158	702

Other data points

Particulars (INR mn)	Quarter		
	Q1FY21	Q4FY20	Q1FY20
Advertisement and sales promotion expense	32	185	386
Capital expenditure	245	512	1,079
Net Cash Position*	2,057	1,642	6,676
Trade acceptances*	6,970	8,136	9,233
Goods in Transit*	3,530	3,060	4,540

Notes: * as at period end

Other financial metrics

Working Capital in days	Trailing twelve months			Closing		
	Q1FY21	FY20	FY19	Q1FY21	FY20	FY19
Receivable Days	54	57	60	56	59	61
Inventory days	124	112	103	129	110	122
Payable Days	129	122	110	107	105	148
Net Working Capital	49	48	53	78	64	35

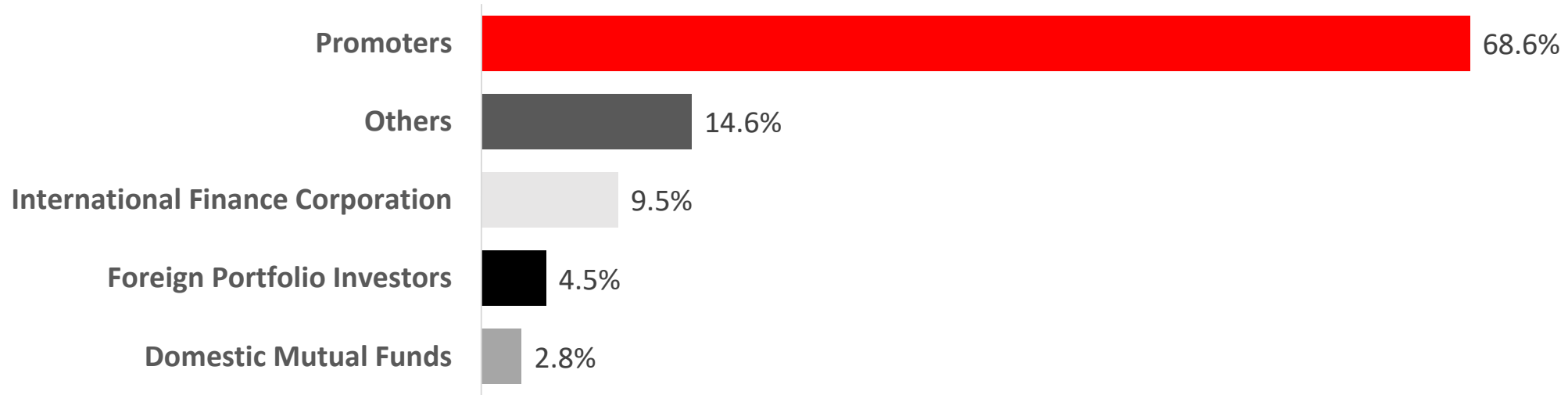
Other Income (INR mn)	Q1FY21	Q4FY20	Q1FY20
Interest income *	199	54	67
Gain/loss on Redemption of investment	14	37	52
Fair value of financial assets (MTM)	0	342	155
Exchange differences (net)	104	0	44
Miscellaneous income	19	32	18
Total	336	465	336

*Interest income includes one-off item explained on slide 9

Finance Cost (INR mn)	Q1FY21	Q4FY20	Q1FY20
Interest on Borrowings	102	63	73
Interest on Purchase / Sales / Discounting	7	25	7
Bank Charges	21	46	40
Foreign Exchange Gain/loss	33	25	3
Total	163	159	123

Notes: Working capital days on TTM 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.

Shareholding Pattern



Notes: As on 30 June 2020. Promoter holding dilution in % terms is on account of issuance of new shares under ESOP scheme.



Safe Harbour

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Thank you

Polycab India Limited

CIN: L31300GJ1996PLC114183

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