

Q1 FY2022 Presentation

21 July 2021



Q1 FY2022

Financial Performance



Key Highlights

Top-line (Revenue)

Q1FY22: 18,805 mn

⌆ 93% YoY

⌇ -38% QoQ

Operating (EBITDA)

Q1FY22: 1,372 mn

⌆ 144% YoY

⌇ -67% QoQ

Profitability (PAT)

Q1FY22: 753 mn

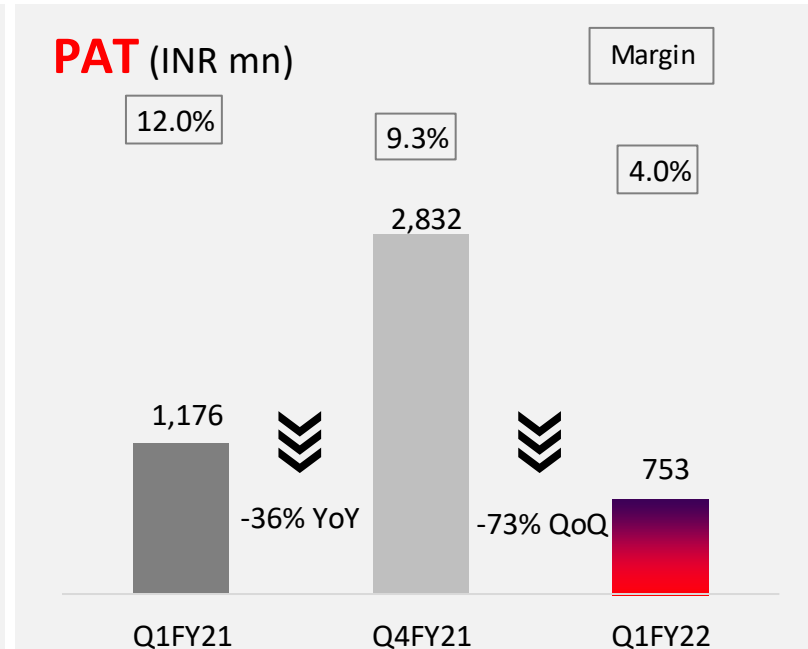
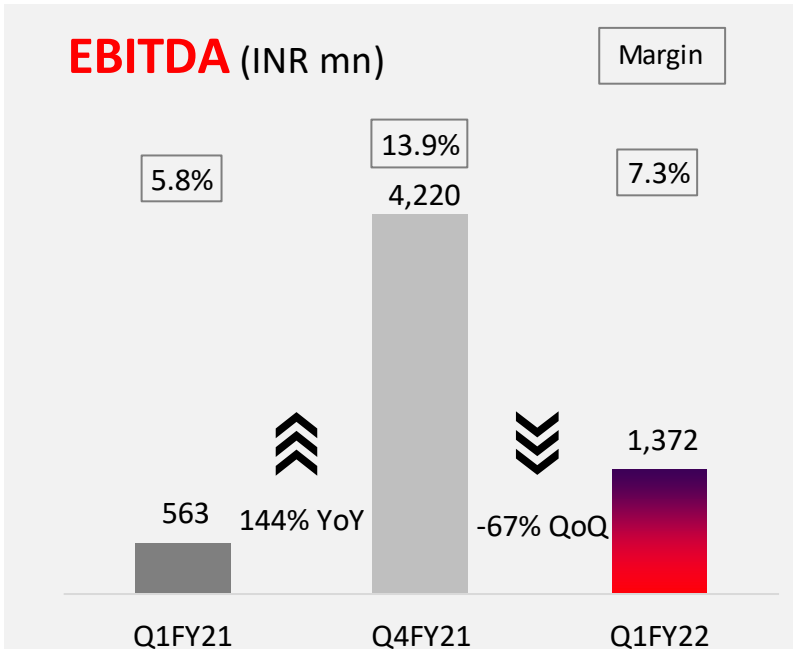
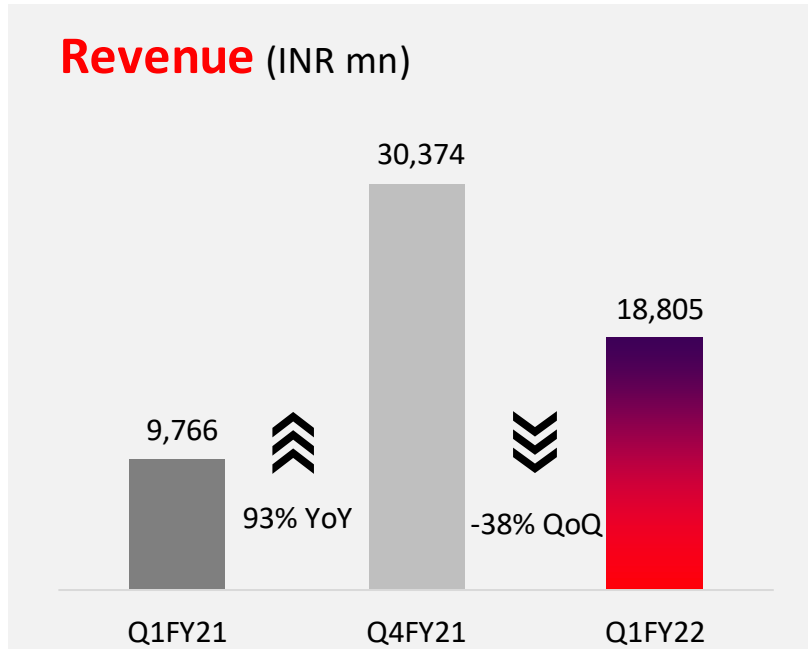
⌇ -36% YoY

⌇ -73% QoQ



Notes: (1) Numbers on consolidated basis (2) Revenue: Revenue from operations (3) EBITDA excludes other Income (4) PAT: Profit After Tax on reported basis and includes exceptional items as explained on slide 9 (5) Annualised Returns On Capital Employed (ROCE)

Q1 FY22: Encouraging performance amidst challenges



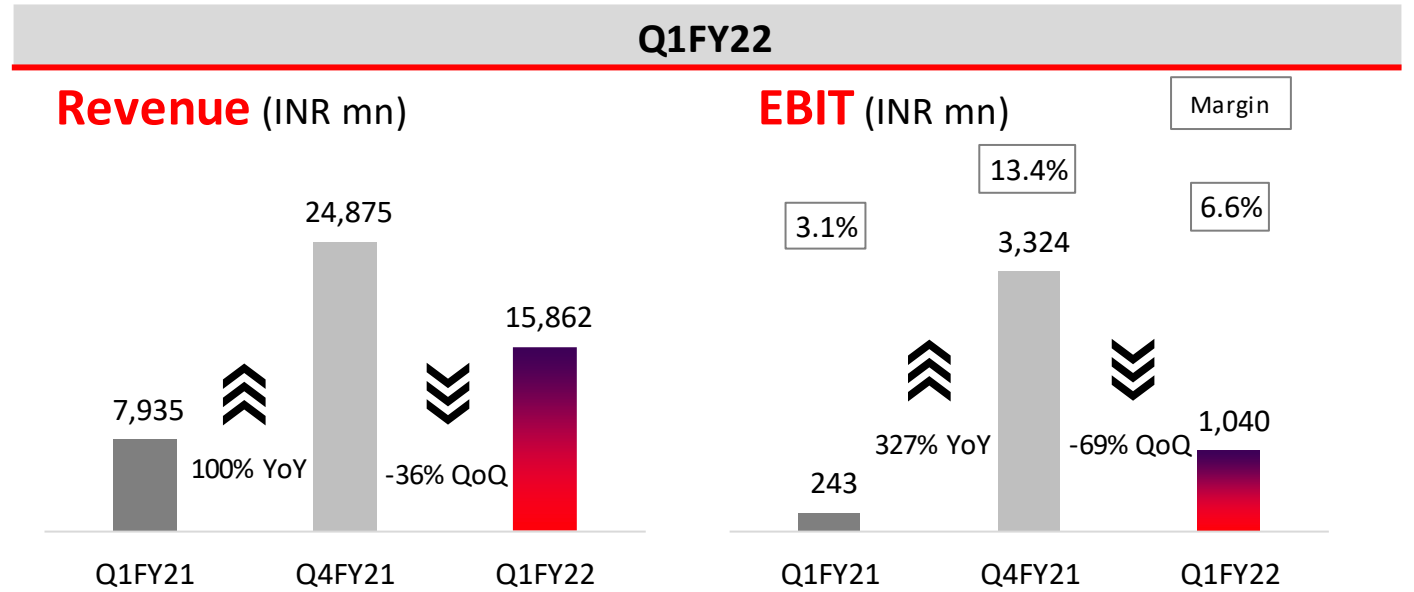
- Revenue was up by 93% YoY despite challenging business environment.
- EBITDA grew by 144% YoY with 153bps improvement in margin. Cost saving initiatives were more than offset by unfavourable operating leverage and input cost volatility leading to EBITDA margin of 7.3%.
- PBT was up by 151% YoY while PAT was down by 36% YoY on account one off gains in base quarter. PAT margin stood at 4.0%
- Net Cash position at over Rs 6.7bn, as of June 2021 end, was 3.3x of same period last year

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

- Wires and Cables revenue doubled on YoY basis despite challenges posed by the second wave.
- In Domestic business, Cables outperformed Wires in Q1 partly on account of relatively favorable base. Distribution as well as Institutional business was >2x of last year.
- While measured lockdowns with ongoing construction activities helped, sharp correction in copper prices in June temporarily impacted the trade sentiment, particularly the primary sales of retail wires.
- Exports business grew 12% YoY. Its contribution to overall revenue improved sequentially to 6% in Q1FY22 vs 4.5% in Q4FY21. The growth was driven by Asia, Australia, UK and Africa. Logistical challenges continued.
- Profitability was impacted by raw material inflation and adverse operating leverage.

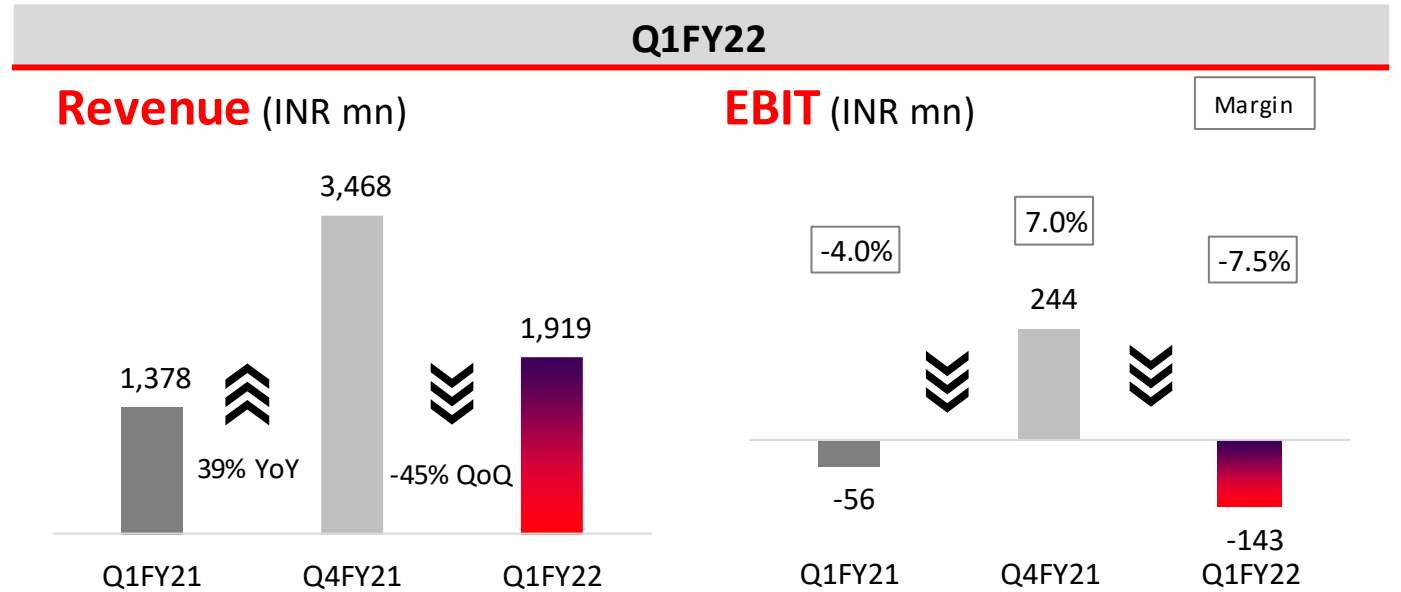
Notes: (1) Consolidated basis in INR mn (2) Revenue: Total income excluding finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income



Fast Moving Electrical Goods

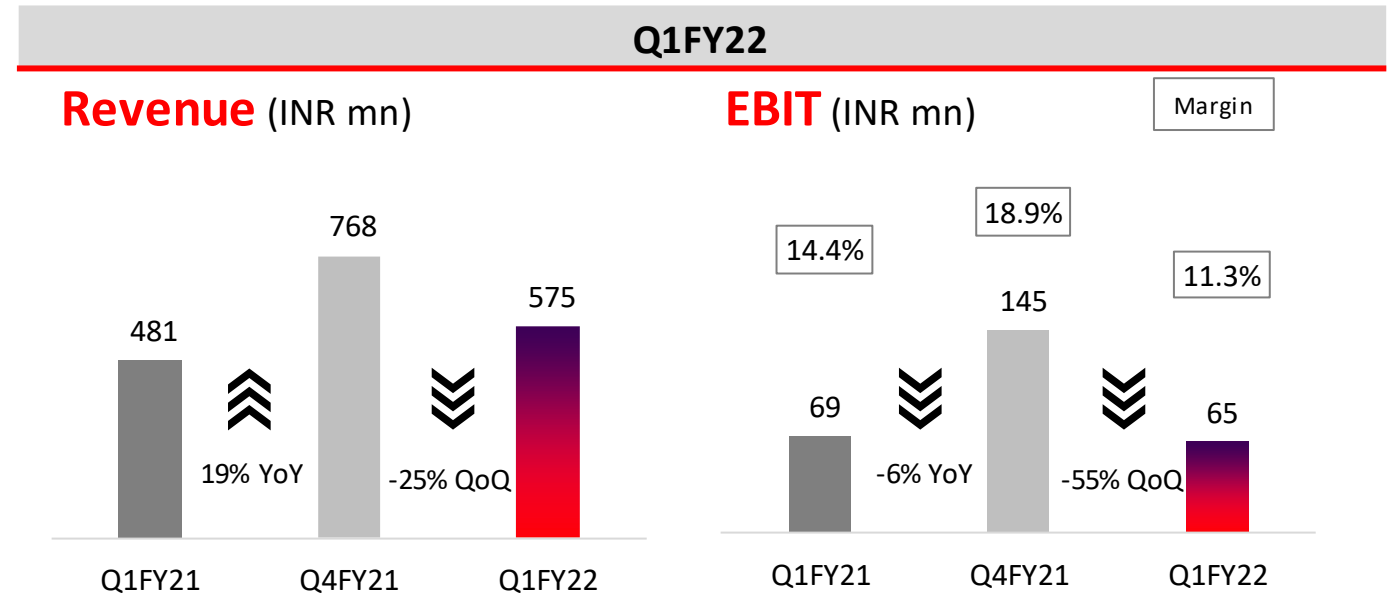
- FMEG revenue increased by 39% YoY. The business momentum was affected by closure of retail shops across many large states.
- Distribution expansion continued with greater thrust on digital marketing campaigns. Innovation driven product development remains a key focus area.
- Fans grew in healthy double digits however lockdowns in April and May, which are key summer stocking periods, hurt the momentum. Premiumization trend continued.
- Lights business grew with higher emphasis on augmenting portfolio across price points.
- Switchgears saw strong growth however switches remained subdued. Solar and Conduit pipes saw healthy traction.
- Adverse operating leverage affected profitability.

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



Other

- Other segment largely comprises of our EPC business
- Total income at Rs 575mn grew by 19% YoY basis and decreased by 25% on a sequential basis due to impact of pandemic.
- Segmental EBIT was down by 6% YoY. Margin stood at 11.3%.
- 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) Revenue: Total income excluding finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income

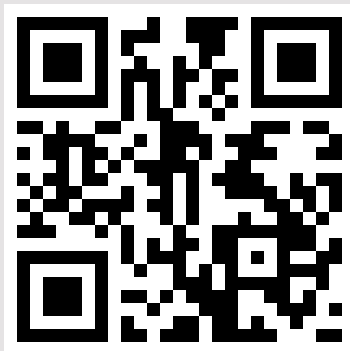
Financial Statements

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Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter					
	Q1FY22	%	Q4FY21	%	Q1FY21	%
Revenue from Operation	18,805	100.0%	30,374	100.0%	9,766	100.0%
Cost of Goods sold	14,399	76.6%	22,644	74.5%	7,097	72.7%
Contribution (A)	4,406	23.4%	7,731	25.5%	2,669	27.3%
Employee cost	959	5.1%	997	3.3%	812	8.3%
Other Operating Expenses	2,054	10.9%	2,521	8.3%	1,282	13.1%
Total Operating Expenses (B)	3,013	16.0%	3,518	11.6%	2,094	21.4%
Share of profit/(loss) of JVs (Net of tax) (C)	-21	-0.1%	7	0.0%	-12	-0.1%
EBITDA (A)-(B)+(C)	1,372	7.3%	4,220	13.9%	563	5.8%
Other Income	253	1.3%	274	0.9%	336	3.4%
Depreciation	521	2.8%	489	1.6%	443	4.5%
Finance Cost	122	0.6%	166	0.5%	163	1.7%
Exceptional items	0	0.0%	0	0.0%	97	1.0%
PBT	982	5.2%	3,838	12.6%	391	4.0%
Income Tax	229	1.2%	1,006	3.3%	-785	-8.0%
PAT	753	4.0%	2,832	9.3%	1,176	12.0%

One off Items (INR mn)	Quarter					
	Q1FY22	%	Q4FY21	%	Q1FY21	%
(-) Income tax refund	-	-	-	-	839	-
(-) Interest on income tax refund (Other income)	-	-	-	-	164	-
(-) Gain on previously held equity interest in Ryker (Exceptional Items)	-	-	-	-	97	-
(-) Tax writeback for prior period	-	-	-	-	-	-
Adjusted PAT	753	4.0%	2,832	9.3%	75	0.8%

Consolidated Balance Sheet

Particulars (INR mn)	Jun-21	Mar-21	Jun-20
Assets			
Non-current Assets			
Fixed Assets	20,082	19,686	19,160
Other Non-current Assets	2,938	2,734	2,458
Total Non-current Assets	23,019	22,421	21,618
Current Assets			
Inventories	26,026	19,879	19,928
Trade Receivables	9,292	14,358	12,044
Investments	5,888	6,231	3,093
Cash and Bank Balances	3,996	5,313	3,288
Others - Current Assets	3,334	1,945	2,317
Total Current Assets	48,536	47,726	40,671
Total Assets	71,555	70,147	62,289

Particulars (INR mn)	Jun-21	Mar-21	Jun-20
Equity and Liabilities			
Shareholder's Funds			
Share Capital	1,492	1,491	1,489
Reserves and Surplus	46,803	46,048	38,320
Total Shareholder's Funds	48,294	47,539	39,810
Minority Interest	201	188	150
Non-current Liabilities			
Borrowings	912	1,037	1,464
Others - Non-current Liabilities	1,290	1,237	1,214
Total Non-current Liabilities	2,202	2,274	2,679
Current Liabilities			
Short-term Borrowings	2,256	1,450	2,860
Trade Payables	14,578	13,480	11,709
Others - Current Liabilities	4,024	5,215	5,081
Total Current Liabilities	20,858	20,146	19,651
Total Equity and Liabilities	71,555	70,147	62,289

Consolidated Condensed Cash Flow Statement

Particulars (INR mn)	Quarter		
	Q1FY22	Q4FY21	Q1FY21
Net Cash Flow from Operating Activities	-1,584	-3,081	3,042
Net cash flow from/(used in) investing activities	-802	3,216	-3,165
Net cash flow from/(used in) financing activities	748	-242	615
Net Increase / (Decrease) in cash and cash equivalents	-1,639	-107	492

Other key data points

Particulars (INR mn)	Quarter		
	Q1FY22	Q4FY21	Q1FY21
Advertisement and sales promotion expense	78	144	32
Capital expenditure	800	583	245
Net Cash Position*	6,716	9,058	2,057
Trade acceptances*	9,149	6,538	6,970
Goods in Transit*	1,972	1,171	3,530

Notes: * as at period end

Other financial metrics

Working Capital in days	Trailing twelve months			Closing		
	Q1FY22	FY21	FY20	Q1FY22	FY21	FY20
Receivable Days	40	59	57	35	59	59
Inventory days	114	108	112	129	110	110
Payable Days	87	102	122	91	102	105
Net Working Capital	67	65	48	73	67	64

Other Income (INR mn)	Q1FY22	Q4FY21	Q1FY21
Interest income	72	55	199
Gain/loss on Redemption of investment	53	61	14
Fair value of financial assets (MTM)	0	61	0
Exchange differences (net)	116	70	104
Miscellaneous income	12	27	19
Total	253	274	336

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

Finance Cost (INR mn)	Q1FY22	Q4FY21	Q1FY21
Interest on Bank Borrowings	25	31	26
Interest on LC, VBD and Leases	34	76	81
Other borrowing costs	62	60	23
Foreign Exchange Gain/loss	1	0	33
Total	122	166	163

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.

Purocoat Fans



LED lights



Green Wires



Reel Contest



Power Cable Test Laboratory of Polycab India Ltd. accredited by NABL

Power Cable Test Laboratory of Polycab India Ltd. has been accredited as per ISO/IEC 17025:2017 by National Accreditation Board for Testing and Calibration Laboratories (NABL)

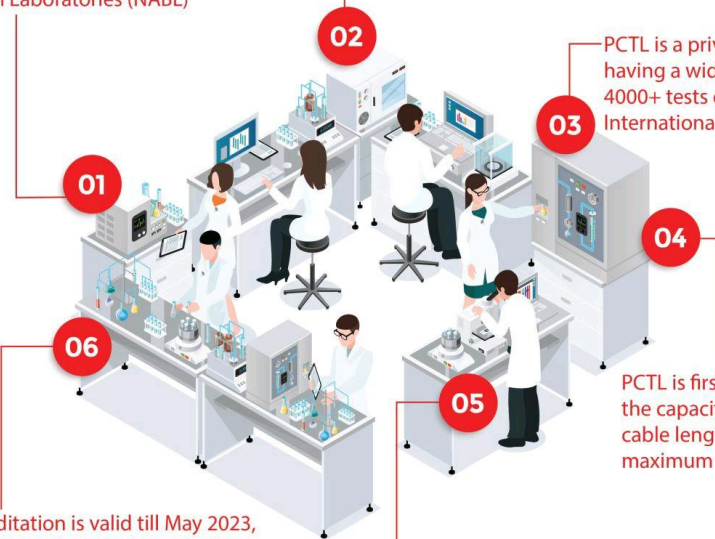
Power Cable Test Laboratory (PCTL) of Polycab India Ltd. has testing facility for cables with improved fire performance and low emission of smoke & corrosive gases including Halogen free compounds

PCTL is a private laboratory in India having a wider scope of more than 4000+ tests covering all National & International Standards

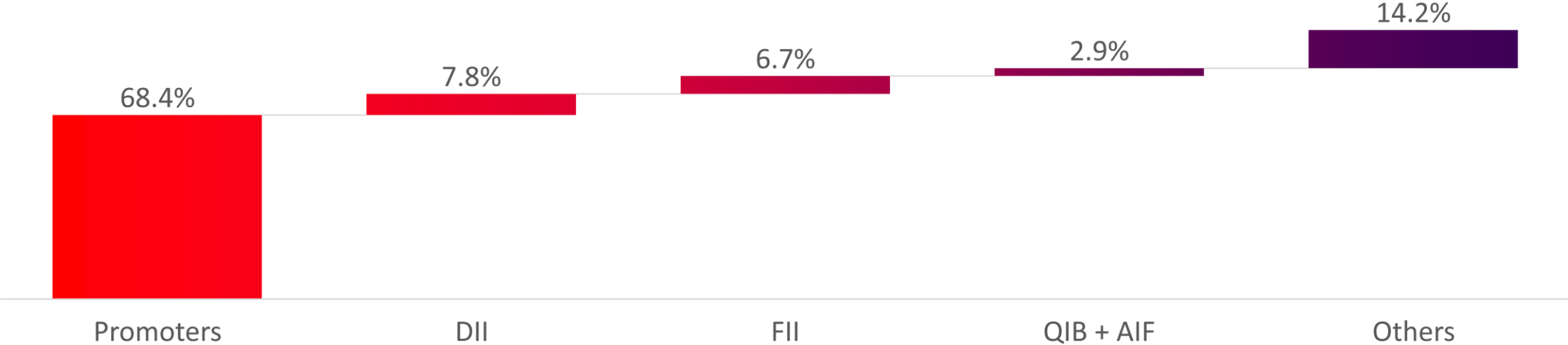
PCTL is first laboratory to have the capacity to test a single cable length from 50 meter to maximum up to 4 km

Test certificate issued by PCTL laboratory would be accepted worldwide as per agreement with NABL (A member of ILAC MRA)

This accreditation is valid till May 2023, and the scope covers testing of cables from 450 volts up to and includes 220 KV voltage grades



Shareholding Pattern



Note: As on 30th June 2021. 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"



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