

Surpassed ₹ 140 Billion in Revenues Highest Ever PAT

Results for the fourth quarter and full year ended March 31, 2023

- FY23 Revenue at ₹ 1,41,078 Mn; up 16% YoY
- FY23 EBITDA at ₹ 18,429 Mn; up 46% YoY
- FY23 PAT at ₹ 12,823 Mn; up 52% YoY

- Q4 FY23 Revenue at ₹ 43,237 Mn; up 9% YoY
- Q4 FY23 EBITDA at ₹ 6,032 Mn; up 27% YoY
- Q4 FY23 PAT at ₹ 4,284 Mn; up 32% YoY

Mumbai, May 12, 2023: Polycab India Limited (BSE: 542652, NSE: POLYCAB) today announced its consolidated results for the fourth quarter and full year ended March 31, 2023.

Commenting on the performance, Mr. Inder T. Jaisinghani, Chairman and Managing Director, Polycab India Limited, said: *“FY23 was a remarkable year for the Company, as we surpassed revenues of ₹ 140 Bn and profitability threshold of ₹ 10 Bn, to record highest ever revenues and PAT in the history of the Company. With robust demand on the anvil, we are confident of exhibiting continued strong growth in the near-to-mid term as well.*

Continuing to move forward towards adopting best corporate governance practices, we inducted another Independent Director on our Board today. We have also formulated our ESG Framework and Charter, aligned with International ESG protocols and guidelines, which will enable us to build resilience in the business, transform culture and create long-term value for all our stakeholders”

Key Highlights (Q4 FY23)

- Revenue grew 9% YoY to ₹ 43,237 Mn in spite of high base and lower commodity prices on the back of healthy volume growth in Cables business.
 - Wires and Cables business revenue grew 12% YoY basis to ₹ 39,347 Mn with strong traction in international business. The international business grew 125% YoY, contributing to 12.5% of the consolidated revenue in Q4FY23. The Company expanded its global footprint to 70 countries. Segmental margins improved by ~300 bps YoY led by judicious price revisions and strong growth in international business

- FMEG business de-grew by 20% YoY. Fans business, which accounts for more than one third of our FMEG business, was subdued during the quarter due to heavy channel inventory stocking done ahead of the transition to the new BEE norms. The Company introduced ~40 new BEE-compliant SKUs during the quarter, with ~60% of them in the premium and super-premium categories, in-line with the Company's premiumization strategy. New fan manufacturing plant in Halol is now operational. The switches business continued its healthy sales momentum during the quarter, benefiting from the in-house manufacturing, growing 1.5x YoY and 1.9x QoQ
- EBITDA margin improved by ~200 bps YoY to 14.0%. On a sequential basis, margins improved by ~40 bps, driven by better operating leverage and strong growth in international business
- PAT grew by 32% YoY to ₹ 4,284 Mn, registering highest ever quarterly profits in the history of the Company. PAT margin stood at 9.9% for the quarter
- As of 31st March 2023, net cash position improved to ₹ 18.9 Bn against ₹ 11.0 Bn net cash during the same period last year

Key Highlights (FY23)

- Revenue grew 16% YoY to ₹ 141,078 Mn from ₹ 122,038 Mn in FY22
 - Wires and Cables revenue for FY23 grew by 17% YoY despite healthy base and lower commodity prices on the back of healthy volume growth. Domestic distribution driven business grew by 17% YoY on the back of strong volume growth of 21%. The outperformance was primarily on account of benefits realized through the merger of HDC and LDC verticals last year. Special purpose cables business gained momentum with sales growing 1.7x over last year. Demand environment continues to remain strong supported by government measures and revival in private capex
 - Revenue from international business grew by 50% YoY, contributing to 9.8% of the consolidated revenue in FY23
 - FMEG business had a soft year on account of distribution channel rejig undertaken during the year, as part of Project LEAP, to enable improved pace of future business growth, as well as due to challenging business environment

on account of continued high inflation. Revenue was flat in FY23. Segmental EBIT turned negative during the year largely on account of higher Advertising & Promotion (A&P) spends, staff cost and input cost pressures. With the distribution realignment completed, the Company is confident of improving top-line and bottom-line from FY24

- EBITDA grew 46% YoY to ₹ 18,429 Mn from ₹ 12,626 Mn in FY22. Margins improved by ~270 bps to 13.1% supported by judicious price revisions and favourable product mix
- PAT increased by 52% YoY to ₹ 12,823 Mn from ₹ 8,452 Mn, crossing the threshold of ₹ 10 Bn for the first-time ever. PAT margin improved by ~220 bps to 9.1%

About Polycab

For Immediate Release

Polycab India Limited (PIL) is India's largest manufacturer of Wires and Cables and one of the fastest growing FMEG companies with a consolidated turnover of INR 141+ Bn in FY23. PIL is at the forefront of providing innovative, safe and energy efficient products to a diverse set of customers via a strong distribution network of 4,300+ authorized dealers and 205,000+ retail outlets. PIL's business operations span across India through 25 manufacturing facilities, 12+ offices and 26+ warehouses. PIL has also served customers in 70 countries globally. PIL's 4,400+ employees are dedicated to upholding robust governance practices, preserving a customer centric culture, having a purpose to serve the communities, and imbibing a genuine sense of ecological consciousness. For further information, please visit www.polycab.com.

Contact us:

Polycab India Limited

Email: investor.relations@polycab.com

***Disclaimer:** Certain statements in this press release may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Polycab and its associates. The forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Polycab does not intend, and is under no obligation, to update any forward-looking statement contained in this press release.*