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Q3 FY24 Presentation

18 January 2024



Q3 FY24

Financial Performance

Key Highlights

Top-line (Revenue)

Q3 FY24: 43,405 Mn

⌄ 17% YoY

⌄ 3% QoQ

9M FY24: 1,24,475 Mn

⌄ 27% YoY



Operating (EBITDA)

Q3 FY24: 5,695 Mn

⌄ 13% YoY

⌄ -6% QoQ

9M FY24: 17,303 Mn

⌄ 40% YoY



Profitability (PAT)

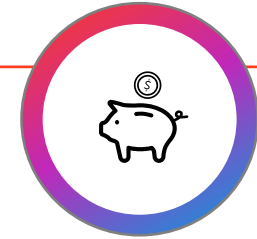
Q3 FY24: 4,165 Mn

⌄ 15% YoY

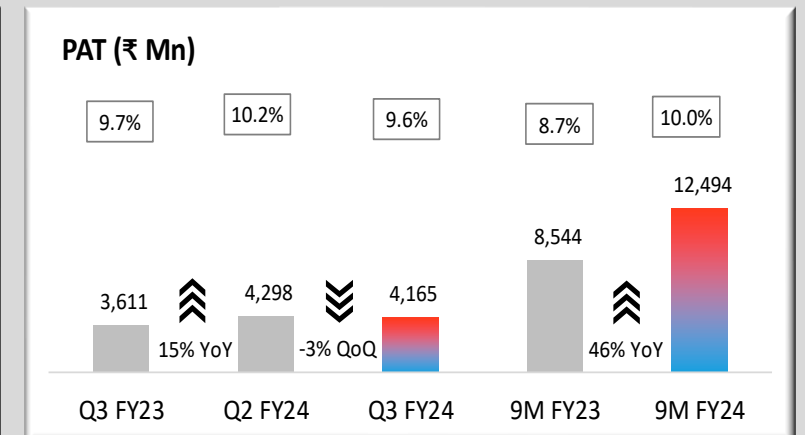
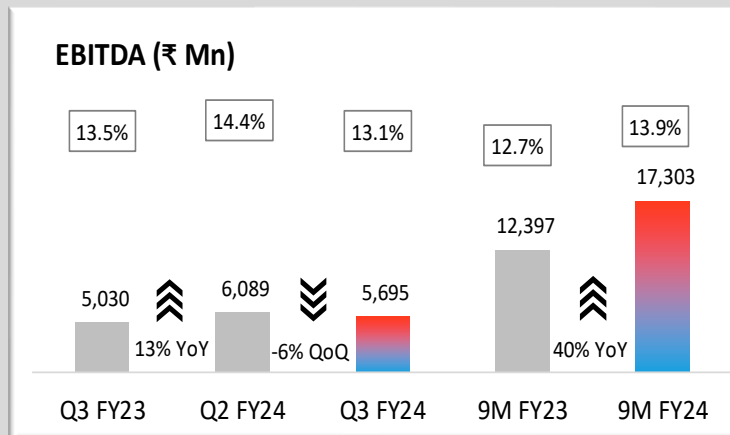
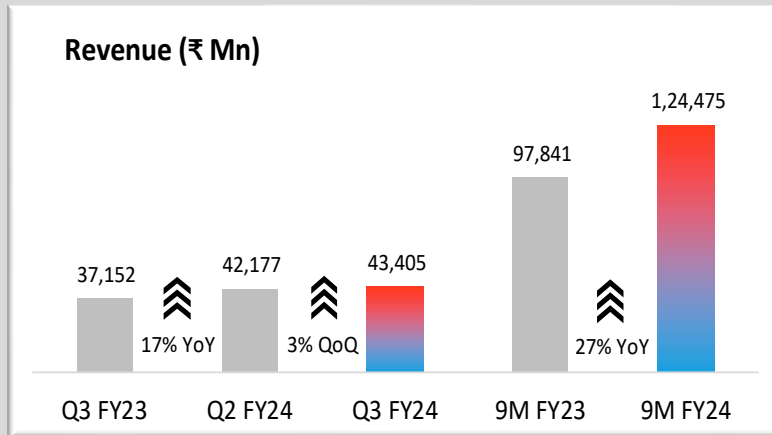
⌄ -3% QoQ

9M FY24: 12,494 Mn


⌄ 46% YoY



Highest Ever Quarterly & 9M Revenue



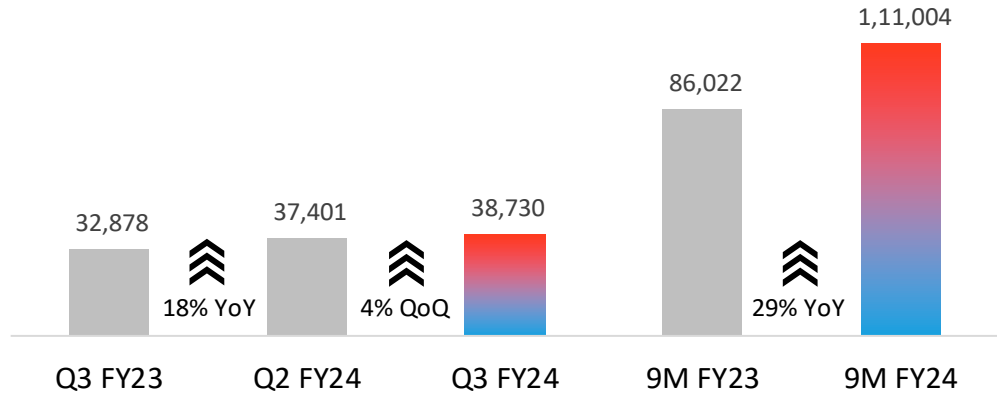
- Revenue grew by 27% YoY in 9MFY24 and 17% YoY in Q3FY24 on the back of strong volume growth in wires & cables business
- For 9MFY24, EBITDA margin improved by ~120 bps YoY to 13.9%. Improved gross margins via strategic pricing revisions as well as change in product-mix contributed to margin improvement. For Q3FY24, EBITDA margin settled at 13.1%, a ~130 bps decline QoQ, largely on account of higher A&P spends.
- PAT for 9MFY24 witnessed a remarkable 46% YoY increase, standing at ₹ 12,494 Mn, almost equivalent to the PAT of FY23. PAT margin during 9MFY24 improved by ~130 bps YoY to 10.0%. For Q3FY24, Company registered the highest ever third quarterly PAT of ₹ 4,165 Mn, a growth of 15% YoY, with PAT margin at 9.6%



Wires & Cables

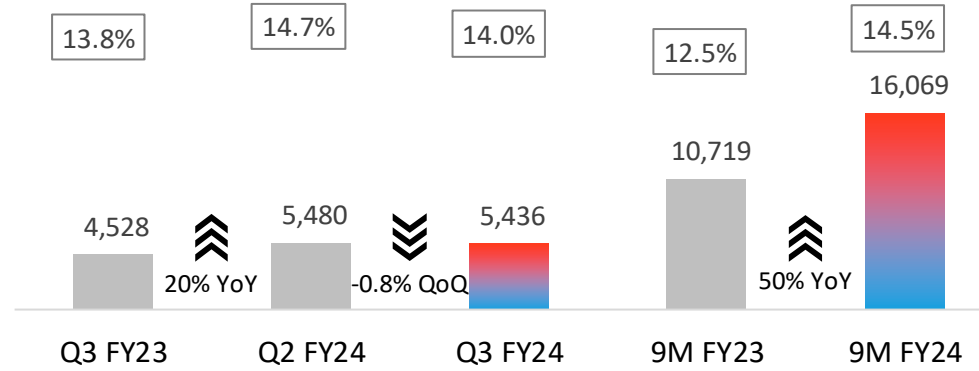
Robust Growth Momentum Sustained

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin



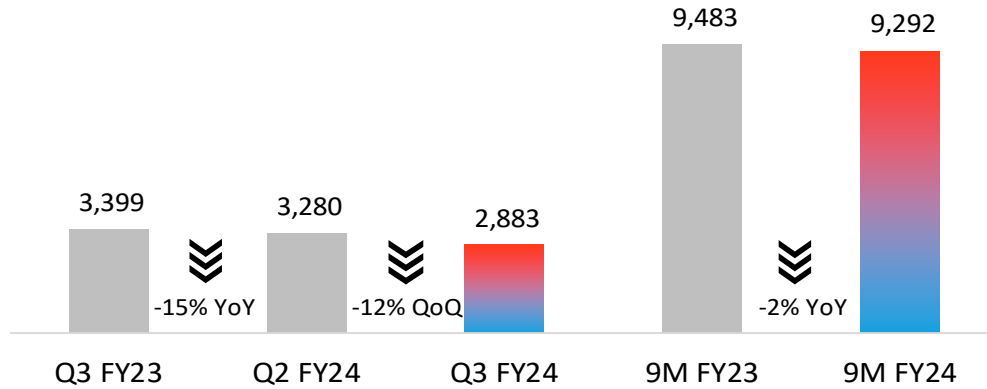
- Wires & Cables revenue for 9MFY24 and Q3FY24 grew by 29% YoY and 18% YoY respectively, on the back of strong volume growth. Demand momentum continued to be strong supported by government and private capex
- Domestically, while both distribution and institutional businesses exhibited strong performance, institutional business growth outpaced distribution business growth
- Revenue from international business contributed 6.2% of the consolidated revenue for the quarter. The Company expects strong performance in the international business during Q4FY24 and beyond
- Sequential decline in margins of ~70 bps in Q3FY24 was on account of lower sales contribution from international business and higher A&P spends

FMEG



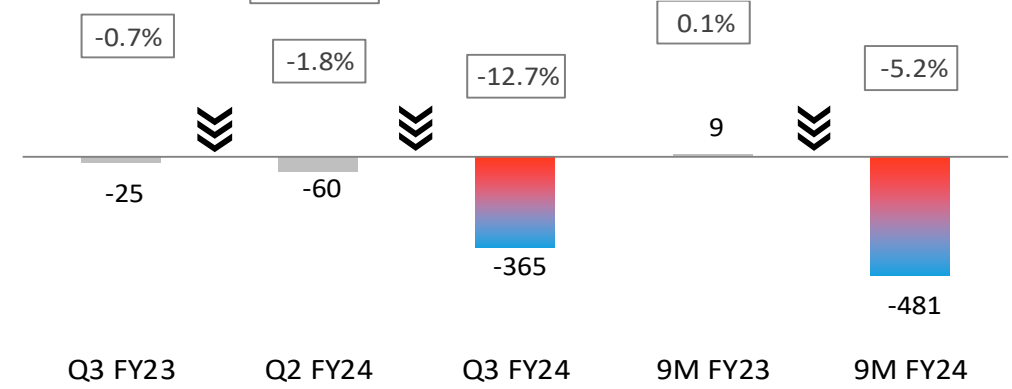
Higher A&P Spends Subdues Profitability

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin



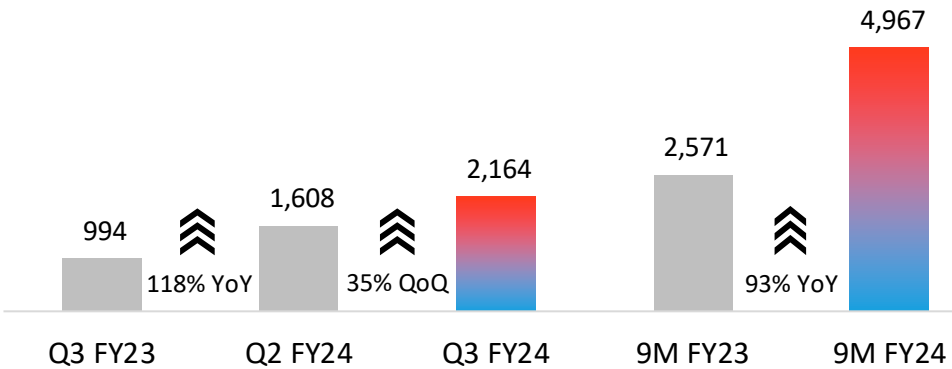
- FMEG business exhibited de-growth of 15% YoY in Q3FY24, primarily attributed to sustained weakness in consumer demand
- The Fans segment grew sequentially, but exhibited YoY de-growth, on account of a higher base of previous year due to stock liquidation activities prior to the BEE transition. The Lights segment continued its de-growth, driven by further pricing erosion
- The Switches & Switchgears segments demonstrated robust YoY growth during the quarter.
- Higher A&P spends and absence of economies of scale led to accelerated bottom-line de-growth
- The FMEG and Power business verticals have been merged under a unified Business Unit Head



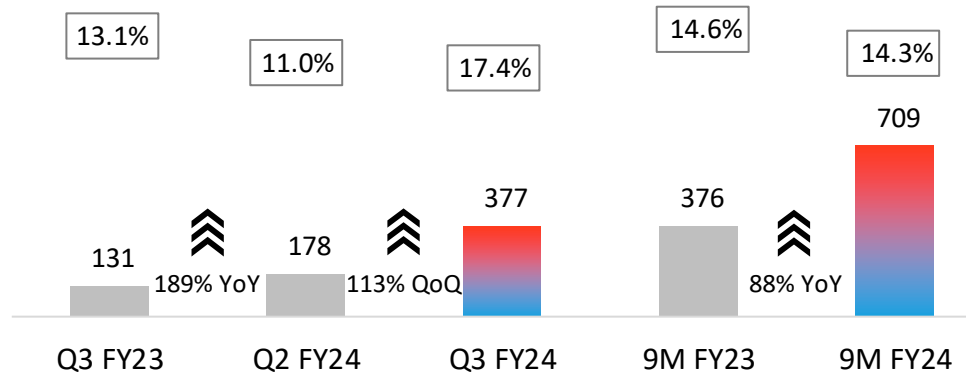
Others

Other Segments

Revenue (₹ Mn)



EBIT (₹ Mn) Margin

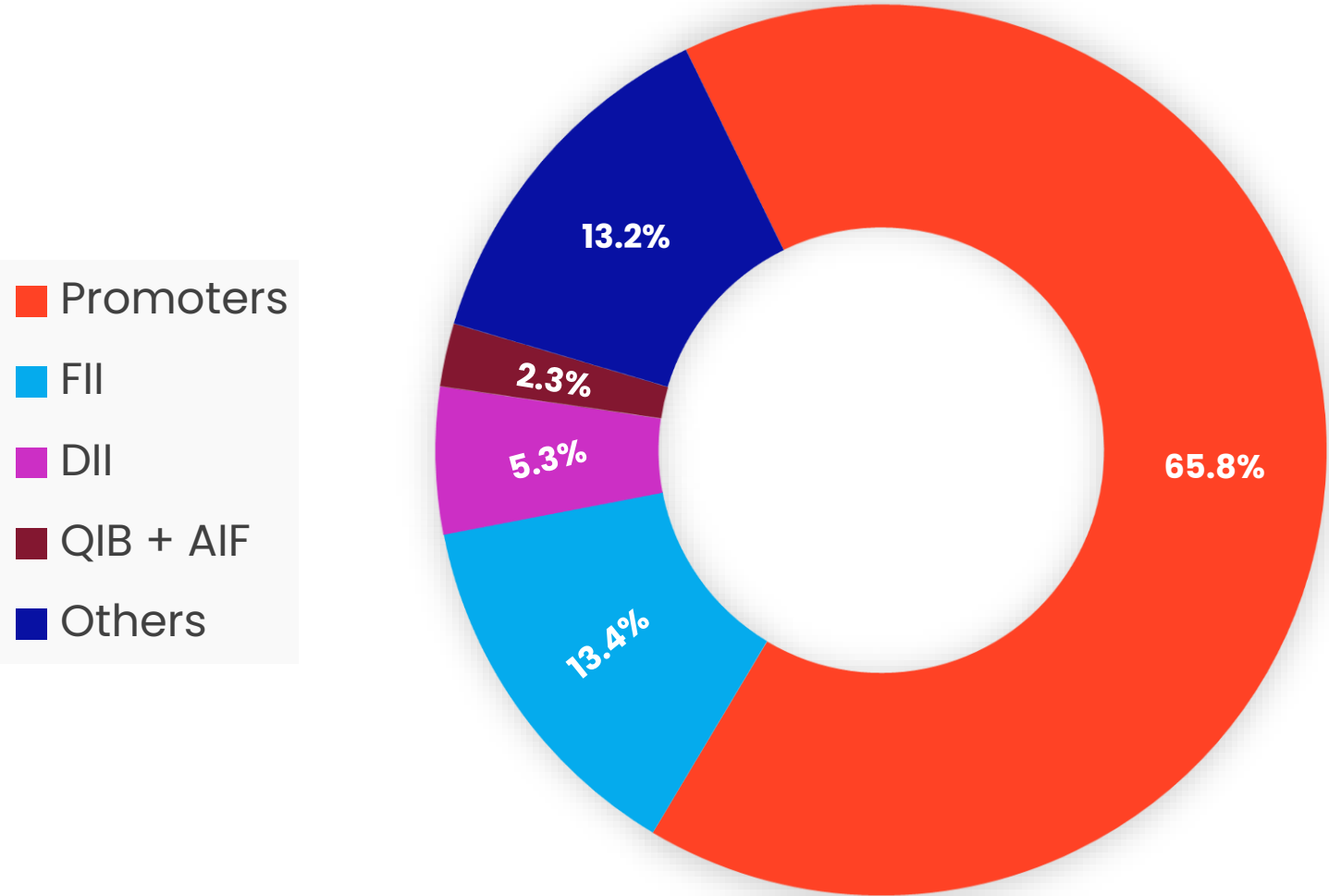


- Other segment largely comprises of our EPC business
- Total income for 9MFY24 at ₹ 4,967 Mn grew by 93% YoY. Quarterly revenue was up by 118% YoY and 35% QoQ
- Segmental EBIT during 9MFY24 and Q3FY24 grew by 88% YoY and 189% YoY respectively. EBIT margin for 9MFY24 stood at 14.3%
- Annual sustainable operating margin in this business is expected to be in high single digit over mid-to-long term



Shareholding Pattern

Shareholding Pattern



Note: As on 31st December 2023. 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"

The background features a complex financial visualization. On the right, there is a candlestick chart with several data points labeled: +68.764, 10.09, +75.354, 29.47, 73.64, 64.01, 80.98, and 11.58. Below the chart, a stack of black calculator keys is visible. In the foreground, there are several coins, including a stack of gold coins and several silver coins. A large, semi-transparent circle with a multi-colored gradient border (red, blue, purple) is positioned on the left side of the image.

Financial Statements

Consolidated Profit and Loss Statement

| Particulars (₹ Mn) | Quarter | | | | | | Year To Date | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|
| | Q3 FY24 | % | Q2 FY24 | % | Q3 FY23 | % | 9M FY24 | % | 9M FY23 | % |
| Revenue from Operations | 43,405 | 100.0% | 42,177 | 100.0% | 37,152 | 100.0% | 1,24,475 | 100.0% | 97,841 | 100.0% |
| Cost of Goods sold | 31,692 | 73.0% | 30,739 | 72.9% | 27,603 | 74.3% | 91,011 | 73.1% | 72,752 | 74.4% |
| Contribution (A) | 11,713 | 27.0% | 11,438 | 27.1% | 9,548 | 25.7% | 33,464 | 26.9% | 25,089 | 25.6% |
| Employee Cost | 1,494 | 3.4% | 1,557 | 3.7% | 1,132 | 3.0% | 4,400 | 3.5% | 3,381 | 3.5% |
| Other Operating Expenses | 4,524 | 10.4% | 3,792 | 9.0% | 3,378 | 9.1% | 11,762 | 9.4% | 9,282 | 9.5% |
| Total Operating Expenses (B) | 6,018 | 13.9% | 5,349 | 12.7% | 4,510 | 12.1% | 16,162 | 13.0% | 12,663 | 12.9% |
| Share of profit/ (loss) of JVs (Net of tax) (C) | - | 0.0% | - | 0.0% | -8 | -0.02% | - | 0.0% | -29 | 0.0% |
| EBITDA (A)-(B)+(C) | 5,695 | 13.1% | 6,089 | 14.4% | 5,030 | 13.5% | 17,303 | 13.9% | 12,397 | 12.7% |
| Other Income | 710 | 1.6% | 353 | 0.8% | 397 | 1.1% | 1,670 | 1.3% | 818 | 0.8% |
| Depreciation | 619 | 1.4% | 603 | 1.4% | 525 | 1.4% | 1,793 | 1.4% | 1,557 | 1.6% |
| Finance Cost | 322 | 0.7% | 268 | 0.6% | 93 | 0.2% | 839 | 0.7% | 316 | 0.3% |
| PBT | 5,464 | 12.6% | 5,572 | 13.2% | 4,810 | 12.9% | 16,340 | 13.1% | 11,342 | 11.6% |
| Income Tax | 1,299 | 3.0% | 1,274 | 3.0% | 1,199 | 3.2% | 3,846 | 3.1% | 2,798 | 2.9% |
| PAT | 4,165 | 9.6% | 4,298 | 10.2% | 3,611 | 9.7% | 12,494 | 10.0% | 8,544 | 8.7% |

Consolidated Balance Sheet

| Particulars (₹ Mn) | Dec-23 | Sep-23 | Dec-22 |
|----------------------------------|-----------------|---------------|---------------|
| Assets | | | |
| <u>Non-current Assets</u> | | | |
| Fixed Assets | 26,656 | 24,730 | 21,951 |
| Non-current Deposits | 91 | 31 | 7 |
| Other Non-current Assets | 4,644 | 3,437 | 1,971 |
| Total Non-current Assets | 31,390 | 28,199 | 23,928 |
| | | | |
| <u>Current Assets</u> | | | |
| Inventories | 37,688 | 34,312 | 26,059 |
| Trade Receivables | 14,978 | 13,213 | 9,771 |
| Investments | 14,095 | 12,788 | 14,812 |
| Cash and Bank Balances | 5,116 | 4,089 | 5,342 |
| Others - Current Assets | 5,502 | 6,399 | 4,074 |
| Total Current Assets | 77,378 | 70,801 | 60,058 |
| | | | |
| Total Assets | 1,08,769 | 99,000 | 83,987 |

| Particulars (₹ Mn) | Dec-23 | Sep-23 | Dec-22 |
|---------------------------------------|-----------------|---------------|---------------|
| Equity and Liabilities | | | |
| <u>Shareholder's Funds</u> | | | |
| Share Capital | 1,502 | 1,500 | 1,497 |
| Reserves and Surplus | 74,720 | 70,451 | 60,601 |
| Total Shareholder's Funds | 76,222 | 71,951 | 62,098 |
| Minority Interest | 487 | 451 | 337 |
| | | | |
| <u>Non-current Liabilities</u> | | | |
| Borrowings | 156 | 33 | 48 |
| Others - Non-current Liabilities | 2,282 | 1,763 | 1,136 |
| Total Non-current Liabilities | 2,438 | 1,796 | 1,185 |
| <u>Current Liabilities</u> | | | |
| Short-term Borrowings | 776 | 1,558 | 1,379 |
| Trade Payables | 23,182 | 18,847 | 15,003 |
| Others - Current Liabilities | 5,664 | 4,397 | 3,985 |
| Total Current Liabilities | 29,622 | 24,801 | 20,367 |
| Total Equity and Liabilities | 1,08,769 | 99,000 | 83,987 |

Consolidated Cash Flow Statement

| Particulars (₹ Mn) | Quarter | | | Year To Date | |
|---|------------|--------------|-----------|--------------|-------------|
| | Q3 FY24 | Q2 FY24 | Q3 FY23 | 9M FY24 | 9M FY23 |
| Net Cash Flow from Operating Activities | 4,948 | 7,010 | 3,500 | 7,877 | 13,076 |
| Net cash flow from/ (used in) investing activities | -4,593 | -5,200 | -3,357 | -2,970 | -11,081 |
| Net cash flow from/ (used in) financing activities | -62 | -788 | -58 | -3,566 | -2,189 |
| Net Increase / (Decrease) in cash and cash equivalents | 293 | 1,022 | 85 | 1,341 | -194 |

Other Key Data Points

| Particulars (₹ Mn) | Quarter | | | Year To Date | |
|---|---------|---------|---------|--------------|---------|
| | Q3 FY24 | Q2 FY24 | Q3 FY23 | 9M FY24 | 9M FY23 |
| Advertisement and Sales Promotion Expense | 904 | 446 | 636 | 1,612 | 999 |
| Capex Spends | 2,804 | 2,037 | 1,441 | 6,364 | 3,452 |
| Net Cash Position* | 18,370 | 15,317 | 18,734 | 18,370 | 18,734 |
| Trade Acceptances* | 12,776 | 10,262 | 7,870 | 12,776 | 7,870 |
| Goods in Transit* | 1,851 | 1,008 | 826 | 1,851 | 826 |
| Exports Revenue | 2,685 | 3,939 | 2,203 | 10,069 | 8,443 |
| Exports Contribution (%) | 6.2% | 9.3% | 5.9% | 8.1% | 8.6% |

* as at period end

Other Financial Metrics

| Working Capital Days | Average | | | | | Closing | | | | |
|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Q3 FY24 | Q2 FY24 | Q1 FY24 | FY23 | FY22 | Q3 FY24 | Q2 FY24 | Q1 FY24 | FY23 | FY22 |
| Receivable Days | 27 | 26 | 26 | 33 | 41 | 33 | 30 | 31 | 32 | 39 |
| Inventory Days | 94 | 89 | 98 | 89 | 81 | 112 | 105 | 113 | 102 | 85 |
| Payable Days* | 70 | 65 | 55 | 71 | 67 | 85 | 70 | 70 | 85 | 63 |
| Net Working Capital | 51 | 50 | 69 | 51 | 54 | 60 | 65 | 74 | 50 | 61 |

* Including Acceptances

| Other Income (₹ Mn) | Q3 FY24 | Q2 FY24 | Q3 FY23 | 9M FY24 | 9M FY23 |
|--|------------|------------|------------|--------------|------------|
| Interest Income | 87 | 81 | 78 | 274 | 198 |
| Gain/ Loss on Redemption of Investment | 251 | 161 | 200 | 610 | 386 |
| Fair Value of Financial Assets (MTM) | - | 13 | 1 | - | 73 |
| Exchange Differences (net) | 320 | 29 | - | 625 | - |
| Miscellaneous Income | 52 | 69 | 119 | 161 | 162 |
| Total | 710 | 353 | 397 | 1,670 | 818 |

| Finance Cost (₹ Mn) | Q3 FY24 | Q2 FY24 | Q3 FY23 | 9M FY24 | 9M FY23 |
|--------------------------------|------------|------------|-----------|------------|------------|
| Interest on Bank Borrowings | 16 | 32 | 3 | 63 | 17 |
| Interest on LC, VBD and Leases | 253 | 194 | 66 | 639 | 184 |
| Other Borrowing Costs | 54 | 42 | 24 | 138 | 115 |
| Total | 323 | 268 | 93 | 840 | 316 |

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1. Numbers on consolidated basis in ₹ million
2. Revenue: Revenue from operations
3. Segment Revenue: Total income (external sales) excluding finance income
4. EBITDA: Excludes other income
5. EBITDA Margin: EBITDA/ Revenue
6. Segment EBIT: Includes other income and excludes finance income
7. Segment EBIT margin: Segment EBIT divided by Segment Revenue
8. PAT: Profit After Tax on reported basis excluding exceptional items and discontinued operations
9. PAT Margin: PAT for the period divided by Revenue
10. Net Cash: Cash & equivalents + Investments + Non-current Deposits – Debt
11. Working Capital: Working capital days on Average 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
12. P&L and Segment numbers in current and prior comparable periods are restated due to divestment of Ryker Base.

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Polycab India Limited

Contact us

For investor relations:
investor.relations@polycab.com

For queries on shares & investor
grievance: shares@polycab.com

Website: www.polycab.com