

POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai – 400016
CIN: L31300GJ1996PLC114183
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Email: shares@polycab.com Website: www.polycab.com



Date: 23rd January 2021

To
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai – 400 001

To
Listing Department
National Stock Exchange of India Limited
C-1, G-Block, Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051

Scrip Code: 542652 Scrip Symbol: Polycab
ISIN:- INE455K01017

Dear Sir / Madam

Sub: Earnings Call Presentation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Earnings Call presentation on the unaudited financial results of the Company for the quarter and nine months ended 31st December 2020.

Kindly take the same on your record.

Thanking you

Yours Faithfully
For Polycab India Limited

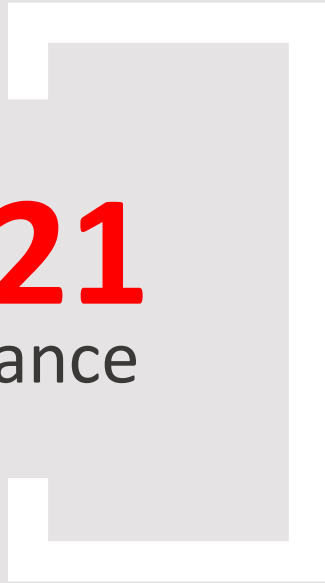
Sai Subramaniam Narayana
Company Secretary and Compliance Officer
Membership No.: F5221
Address: Polycab House, 771, Mogul Lane
Mahim (West), Mumbai - 400 016



Registered Office:
Unit No.4, Plot No.105, Halol Vadodara Road,
Village Nurpura, Taluka Halol, Panchmahal, Gujarat-389350
Tel : 2676- 227600 / 227700

Q3 FY2021

Financial Performance



Key Highlights



Top-line (Revenue)

Q3FY21: 27,988 mn

⌆ 12% Y-o-Y

⌆ 32% Q-o-Q

9MFY21: 58,891 mn

⌇ -12% Y-o-Y



Operating (EBITDA)

Q3FY21: 3,763 mn

⌆ 11% Y-o-Y

⌆ 21% Q-o-Q

9MFY21: 7,448 mn

⌇ -11% Y-o-Y



Profitability (PAT)

Q3FY21: 2,636 mn

⌆ 19% Y-o-Y

⌆ 19% Q-o-Q

9MFY21: 6,027 mn

⌆ 9% Y-o-Y



Net Cash Position

Q3FY21: 13,335 mn

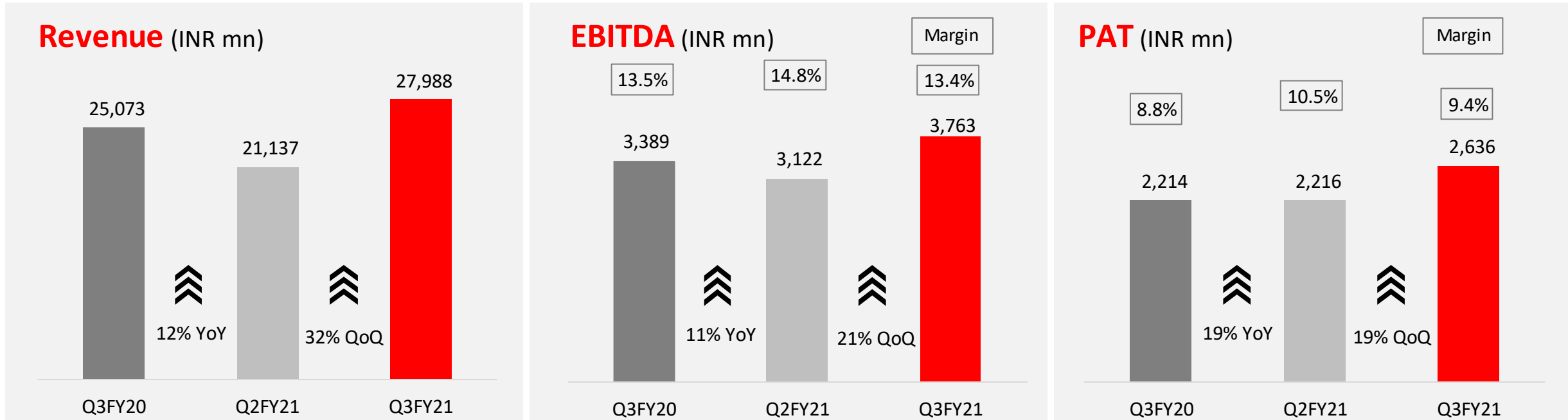
⌆ 108% Y-o-Y

⌆ 112% Q-o-Q



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 13 (5) Net Cash Position as at period end

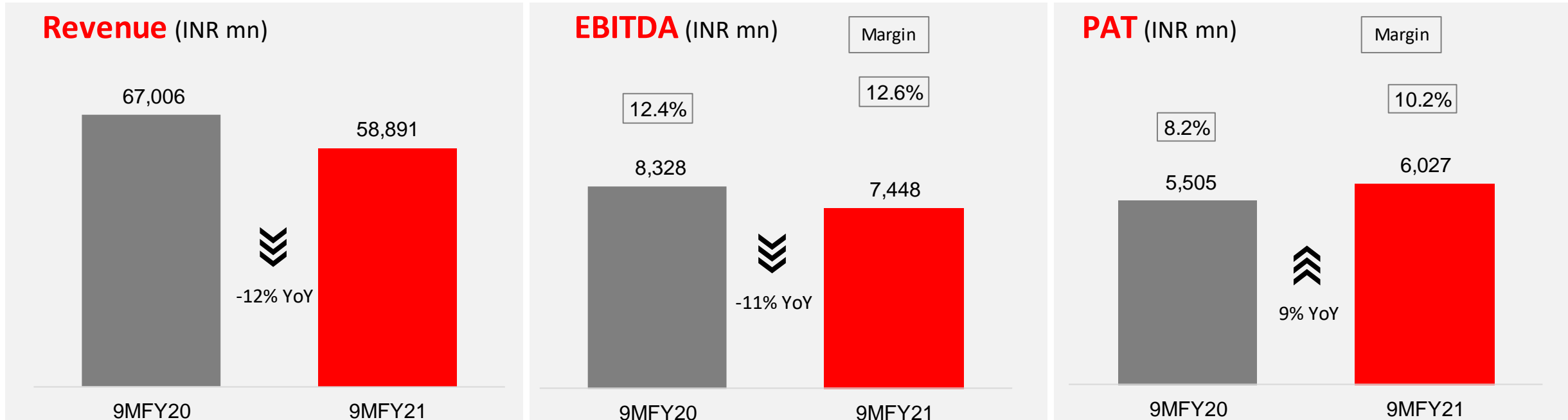
Q3 FY21: All round performance with solid fundamentals



- Revenue increased by 12% YoY and 32% QoQ in Q3 with healthy underlying growth across segments and rising share of B2C businesses
- EBITDA grew by 11% YoY with flattish margins led by leverage benefits and cost saving initiatives
- PBT and PAT was up 22% YoY and 19% YoY. PAT margin was up 59bps to 9.4%
- ROCE at 30.6% was broadly stable on YoY basis while Net Cash doubled to over Rs 13.3bn as of December end

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 13 (6) PAT Margin: Profit after Tax for the period divided by Revenue

9M FY21: Largely reflects the impact of pandemic on earlier periods

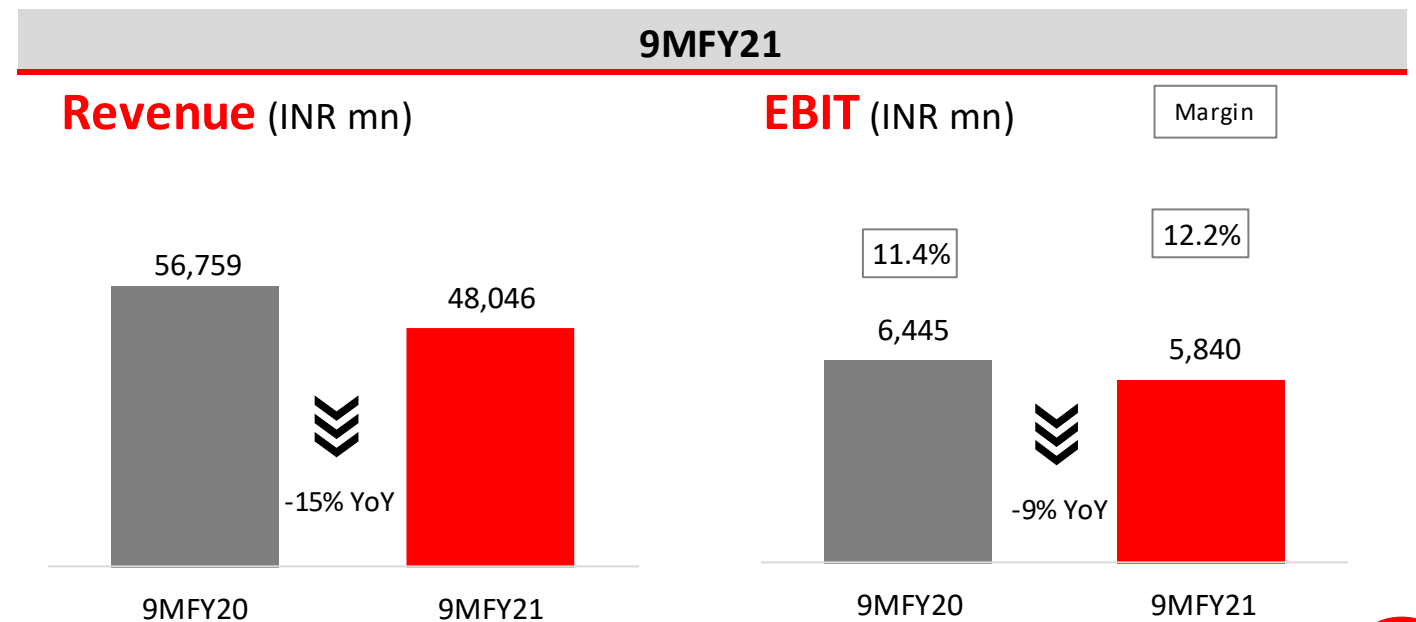
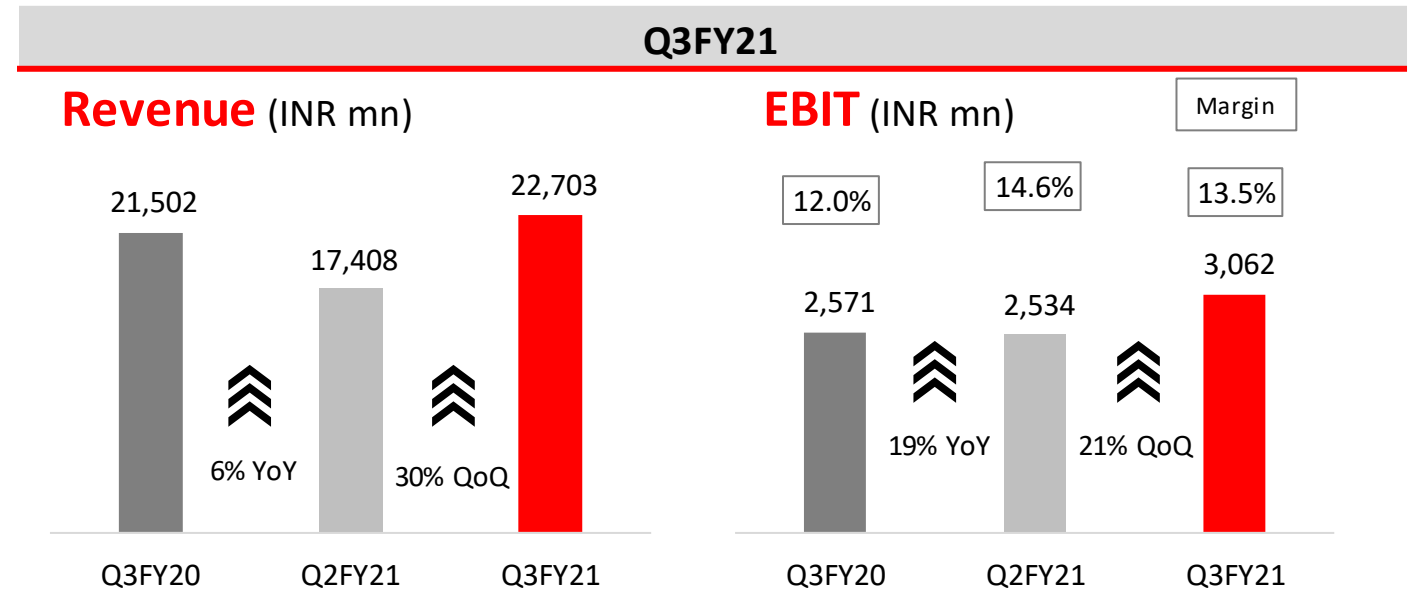


- Revenue declined by 12% YoY largely reflecting the severe impacted of COVID-19 outbreak and subsequent lockdowns in first half of FY21
- EBITDA margin improved 22bps YoY despite adverse operating leverage, aided by cost saving initiatives
- PBT stood at 6,812mn with 11.6% margin
- PAT in 9M FY21 exceed last year partly aided by few one off gains. PAT margin at 10.2% was up by 202bp YoY

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 13 (6) PAT Margin: Profit after Tax for the period divided by Revenue

Wires and Cables

- Wires and Cables business posted 6% YoY growth despite a high base. Construction activities are progressing, albeit at a slower pace. Consumer demand remains strong with improving sentiment.
- Business from distribution channel saw healthy double-digit growth however institutional business continues to face headwinds.
- Within domestic distribution channel sales, Wires grew faster than Cables. Housing wires continued its strong momentum led by distribution expansion, pickup in renovation activity and gains from unorganized segment.
- Export revenue stood at Rs2.9bn or 10.5% of overall sales in Q3. Revenue declined by 33% YoY due to higher base of Dangote order (1.4bn in Q3FY21 vs 3.2bn in Q3FY20). Excluding that, exports portfolio posted a healthy 29% YoY growth led by Australia, Asia and UK.

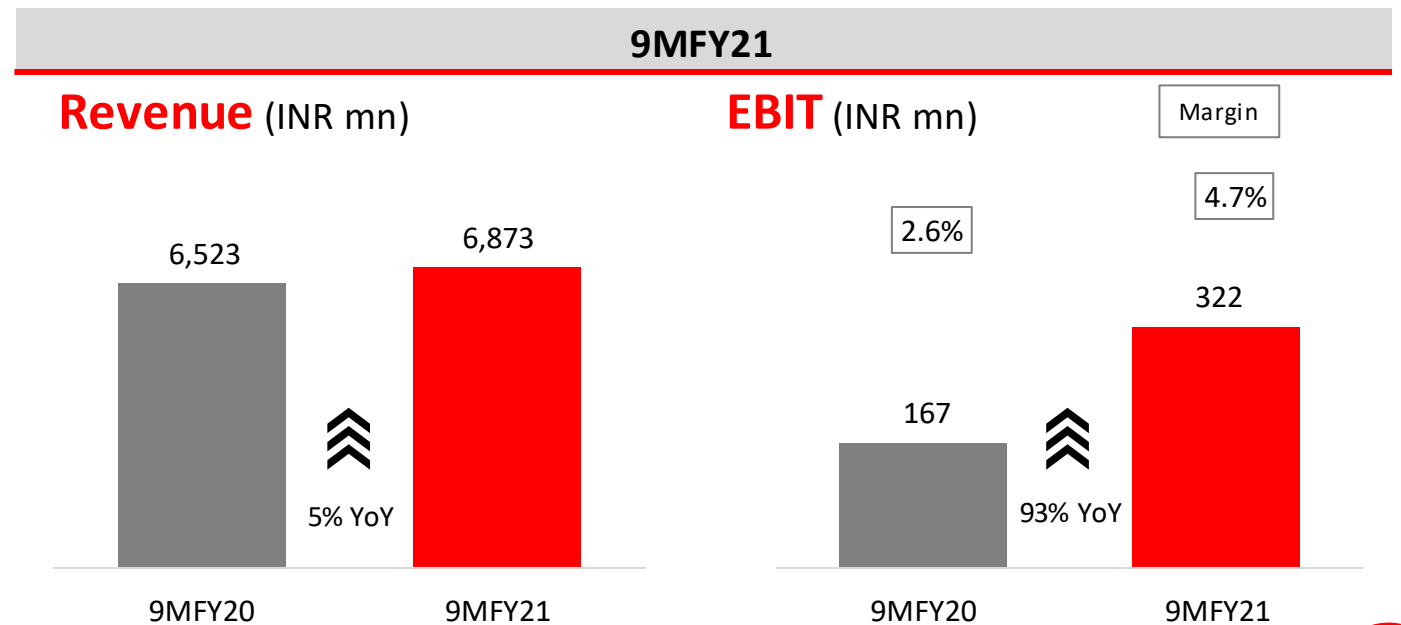
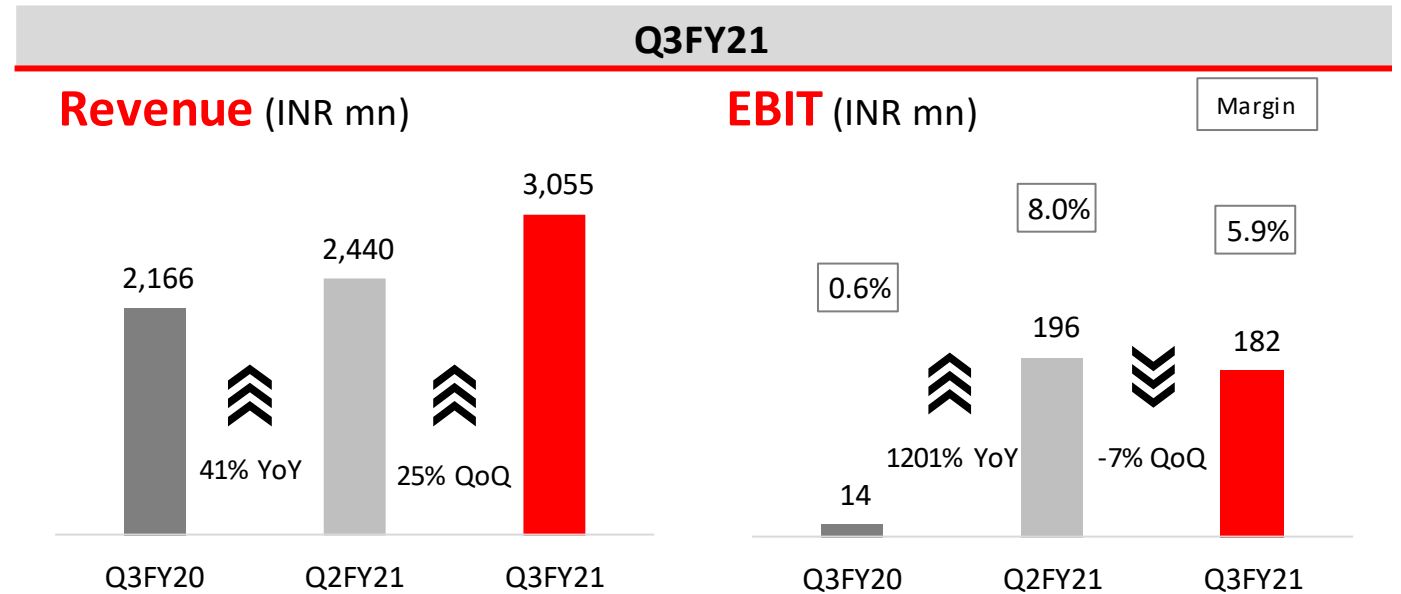


Notes: (1) Consolidated basis in INR mn (2) Total income excludes finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income

Fast Moving Electrical Goods

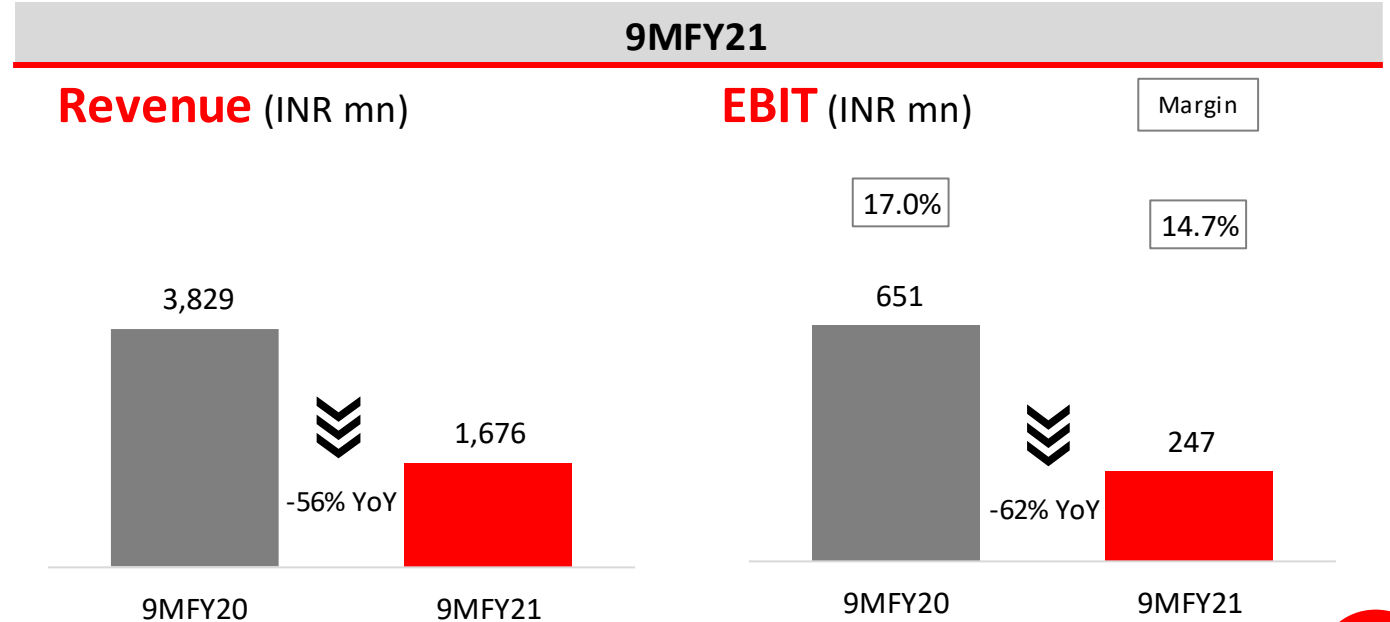
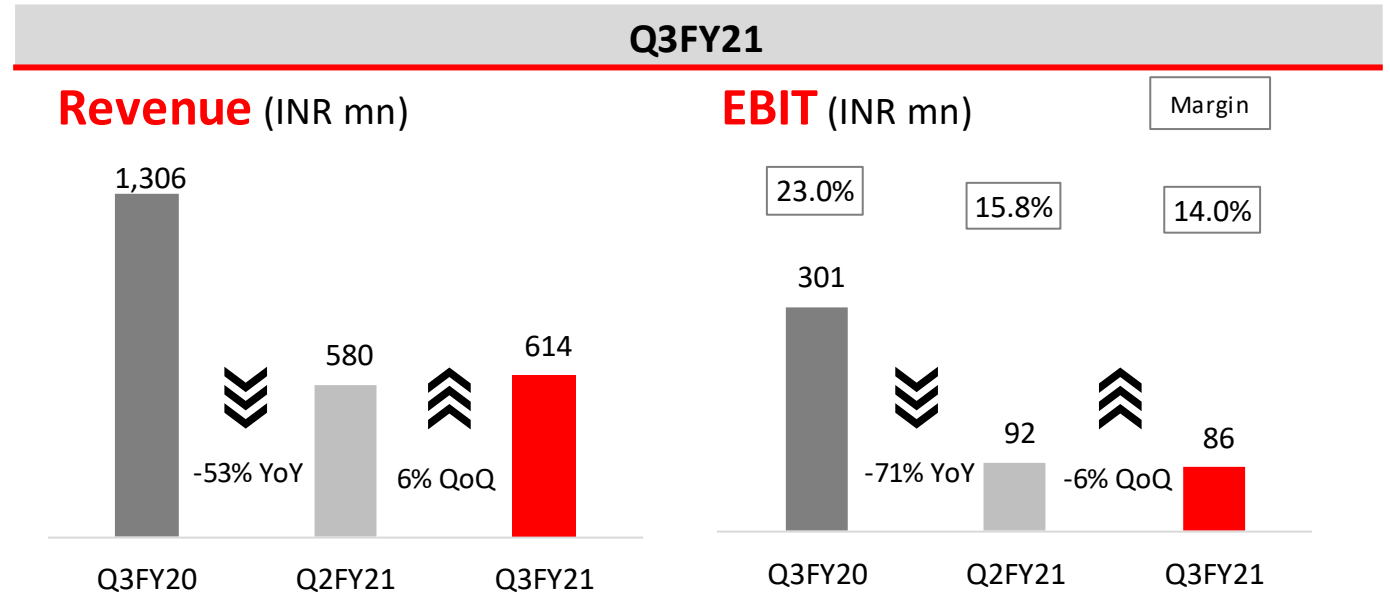
- FMEG witnessed strong traction with total income growing by 41% YoY on the back of buoyant consumer demand, distribution expansion, better product mix and pricing actions.
- FMEG contribution to overall sales increased 215bps YoY to 10.8%. Growth was broad based across categories and regions.
- Fans grew strongly gaining leadership position in few geographical clusters. Overall demand for Lighting products remained upbeat led by festive season. Switches, Switchgears and Pumps posted healthy growth.
- Profitability in Q3 improved considerably despite higher A&P spends and input cost pressures on account of improved product mix and calibrated pricing actions.
- Segment EBIT margin stood at 5.9% and 4.7% in in Q3 and 9M FY21, respectively.

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



Others

- Other segment which largely comprises of our EPC business was down on account of a stronger base.
- Total income and segmental EBIT in Q2FY21 declined by 53% YoY and 71% YoY, respectively.
- 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

Hohm
Life Elated

A Brand of Polycab



Hohm Vivere Smart Integrated Panel

A one-of-a-kind range of smart switches that lets you control the most used applis at your home from your smartphone. It comes with an in-built Wi-Fi module, is wat shock proof, and can easily replace all conventional switches without any re

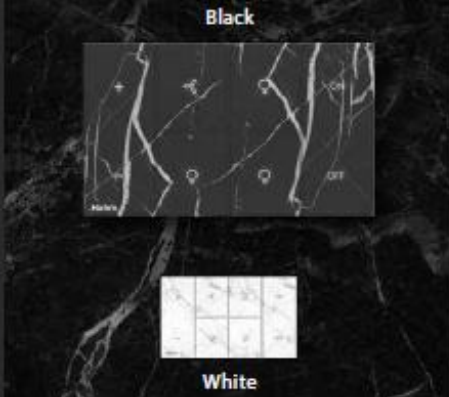
Choose from multiple designs, switch options and color combinations that will tra your walls from boring to breathtaking.

- Wi-Fi Enabled
- ON/OFF Control
- Feather Touch
- Fan Speed Regulation
- Lights Dimmer
- Curtain Control
- Scene Control
- Scheduling
- Controlled with Hohm App
- Remote Control (through IR Remotes)
- Compatible with Alexa/Google Home
- Available in 2M, 4M, 6M and 8M Box Sizes

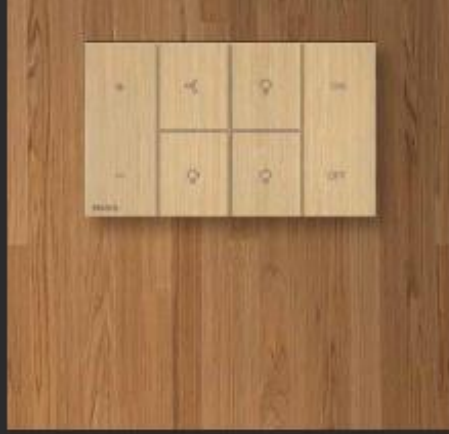
Glass Series



Marble Series



Wooden Series





Case Study

International Cable Supply

Achieving global expansion, through the export of cable products into Europe and the United Kingdom

Established in 1964 as 'Sind Electric Stores', which dealt in various electrical products including fans, lighting, switches, and wires. In 1996, the Company was incorporated as 'Polycab Wires Private Limited' at Mumbai as a private limited company under the Companies Act, 1956. The India-based cable manufacturer Polycab India Limited has experienced significant growth over more than four decades in operation, enabled by third party testing and certification.

Manufacturing a range of wires, cables and electrical products across 25 facilities, Polycab has aligned product offering to market needs. Quality is at the forefront of their cable production processes.

Why BASEC?

Partnering with BASEC since 2009, for PCR management systems approval and 2011 for its first product approval, has meant that Polycab could obtain the competency required to access these very important markets and achieve competitive edge over other cable manufacturers based in the region.

In order to grow the business Polycab's research team are focused on construction building wires and telecommunications infrastructure markets. As the experts in cable testing and certification, BASEC's team has supported the transfer of cabling industry which in turn supports manufacturer's new market diversification goals.

Central to Polycab's international export market success, BASEC approvals pathed the way for the successful creation of strong distributor relationships.



6A 3 PIN MULTI PLUG WITH SURGE PROTECTOR

Rated Current - 6A
Built In Surge Protector For Over Voltage Spike
LED Indicator



6A TRAVEL ADAPTOR, TWIN USB CHARGING PORT MTL

Rated Current - 6A
Twin USB Charging 2.1 Amp
LED Indicator



6A TRAVEL ADAPTOR, TWIN USB CHARGING PORT PC

Rated Current - 6A
Twin USB Charging 2.1 Amp
LED Indicator



6A 3 PIN MULTI PLUG

Rated Current - 6A
Built In Surge Protector For Over Voltage Spike
LED Indicator



6A 4 + 1 MULTI PLUG

Rated Current - 6A
Twin USB Charging 2.1 Amp
LED Indicator



6A 2 PIN G-SQUARE FLEX BOX WITH 4 METER

Rated Current - 6A
Twin USB Charging 2.1 Amp
LED Indicator



6A 3 PIN 4 + 1 POWER STRIP

Rated Current - 6A
Socket with Safety Shutter
Safety Shutdown Technology.
Cable length - 1.5 mtr.
LED Indicator



6A 2 PIN POWER STRIP WITH TWIN USB CHARGING PORT

Rated Current - 6A
Twin USB port 2.1 A
Cable length - 1.5 mtr.
LED Indicator

Financial Statements

Scan for Financial Results



[Download Link](#)

Scan for Interim Financial Statements



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Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter						Year To Date			
	Q3FY21	%	Q2FY21	%	Q3FY20	%	9MFY21	%	9MFY20	%
Revenue from Operation	27,988	100.0%	21,137	100.0%	25,073	100.0%	58,891	100.0%	67,006	100.0%
Cost of Goods sold	21,196	75.7%	15,128	71.6%	18,190	72.5%	43,422	73.7%	48,917	73.0%
Contribution (A)	6,792	24.3%	6,009	28.4%	6,883	27.5%	15,469	26.3%	18,089	27.0%
Employee cost	896	3.2%	897	4.2%	915	3.6%	2,606	4.4%	2,759	4.1%
Other Operating Expenses	2,138	7.6%	1,987	9.4%	2,577	10.3%	5,406	9.2%	6,985	10.4%
Total Operating Expenses (B)	3,034	10.8%	2,884	13.6%	3,492	13.9%	8,012	13.6%	9,744	14.5%
Share of profit/(loss) of JVs (Net of tax) (C)	5	0.0%	-3	0.0%	-2	0.0%	-9	0.0%	-16	0.0%
EBITDA (A)-(B)+(C)	3,763	13.4%	3,122	14.8%	3,389	13.5%	7,448	12.6%	8,328	12.4%
Other Income	345	1.2%	327	1.5%	3	0.0%	1,008	1.7%	463	0.7%
Depreciation	478	1.7%	456	2.2%	407	1.6%	1,377	2.3%	1,187	1.8%
Finance Cost	88	0.3%	114	0.5%	86	0.3%	365	0.6%	336	0.5%
Exceptional items	0	0.0%	0	0.0%	0	0.0%	97	0.2%	0	0.0%
PBT	3,541	12.7%	2,880	13.6%	2,900	11.6%	6,812	11.6%	7,268	10.8%
Income Tax	905	3.2%	664	3.1%	686	2.7%	784	1.3%	1,764	2.6%
PAT	2,636	9.4%	2,216	10.5%	2,214	8.8%	6,027	10.2%	5,505	8.2%
One off Items (INR mn)	Q3FY21	%	Q2FY21	%	Q3FY20	%	9MFY21	%	9MFY20	%
(-) Income tax refund	-	-	-	-	-	-	839	1.4%	-	-
(-) Interest on income tax refund (Other income)	-	-	-	-	-	-	164	0.3%	-	-
(-) Gain on previously held equity interest in Ryker (Exceptional Items)	-	-	-	-	-	-	97	0.2%	-	-
(-) Tax writeback for prior period	-	-	-	-	-	-	-	-	-	-
Adjusted PAT	2,636	9.4%	2,216	10.5%	2,214	8.8%	4,927	8.4%	5,505	8.2%

Consolidated Balance Sheet

Particulars (INR mn)	Dec'20	Sep'20	Dec'19
Assets			
<u>Non-current Assets</u>			
Fixed Assets	19,395	19,275	16,262
Other Non-current Assets	2,377	2,219	2,520
Total Non-current Assets	21,772	21,494	18,782
<u>Current Assets</u>			
Inventories	18,301	20,416	16,461
Trade Receivables	11,860	10,827	12,004
Investments	10,456	5,611	4,036
Cash and Bank Balances	5,473	3,387	3,631
Others - Current Assets	3,458	2,806	3,049
Total Current Assets	49,547	43,046	39,180
Total Assets	71,319	64,540	57,962

Particulars (INR mn)	Dec'20	Sep'20	Dec'19
Equity and Liabilities			
<u>Shareholder's Funds</u>			
Share Capital	1,491	1,490	1,488
Reserves and Surplus	43,242	40,647	36,083
Total Shareholder's Funds	44,733	42,137	37,571
Minority Interest	171	160	138
<u>Non-current Liabilities</u>			
Borrowings	1,163	1,308	131
Others - Non-current Liabilities	1,303	1,344	907
Total Non-current Liabilities	2,467	2,653	1,039
<u>Current Liabilities</u>			
Short-term Borrowings	860	826	801
Trade Payables	17,864	13,277	12,179
Others - Current Liabilities	5,225	5,487	6,235
Total Current Liabilities	23,949	19,590	19,214
Total Equity and Liabilities	71,319	64,540	57,962

Consolidated Condensed Cash Flow Statement

Particulars (INR mn)	Quarter			Year To Date	
	Q3FY21	Q2FY21	Q3FY20	9MFY21	9MFY20
Net Cash Flow from Operating Activities	7,713	4,708	3,041	15,463	5,426
Net cash flow from/(used in) investing activities	-7,297	-2,876	-3,662	-13,337	-7,956
Net cash flow from/(used in) financing activities	-232	-1,747	-343	-1,364	1,302
Net Increase / (Decrease) in cash and cash equivalents	185	85	-964	762	-1,227

Other key data points

Particulars (INR mn)	Quarter			Year To Date	
	Q3FY21	Q2FY21	Q3FY20	9MFY21	9MFY20
Advertisement and sales promotion expense	372	134	376	538	902
Capital expenditure	658	425	566	1,328	2,379
Net Cash Position*	13,335	6,276	6,400	13,335	6,400
Trade acceptances*	11,314	7,094	6,367	11,314	6,367
Goods in Transit*	1,639	4,290	653	1,639	653

Notes: * as at period end

Other financial metrics

Working Capital in days	Trailing twelve months				Closing			
	Q3FY21	Q2FY21	Q1FY21	FY20	Q3FY21	Q2FY21	Q1FY21	FY20
Receivable Days	54	52	55	57	54	51	56	59
Inventory days	109	130	124	112	115	135	129	110
Payable Days	126	123	129	122	140	119	107	105
Net Working Capital	37	60	50	48	29	68	78	64

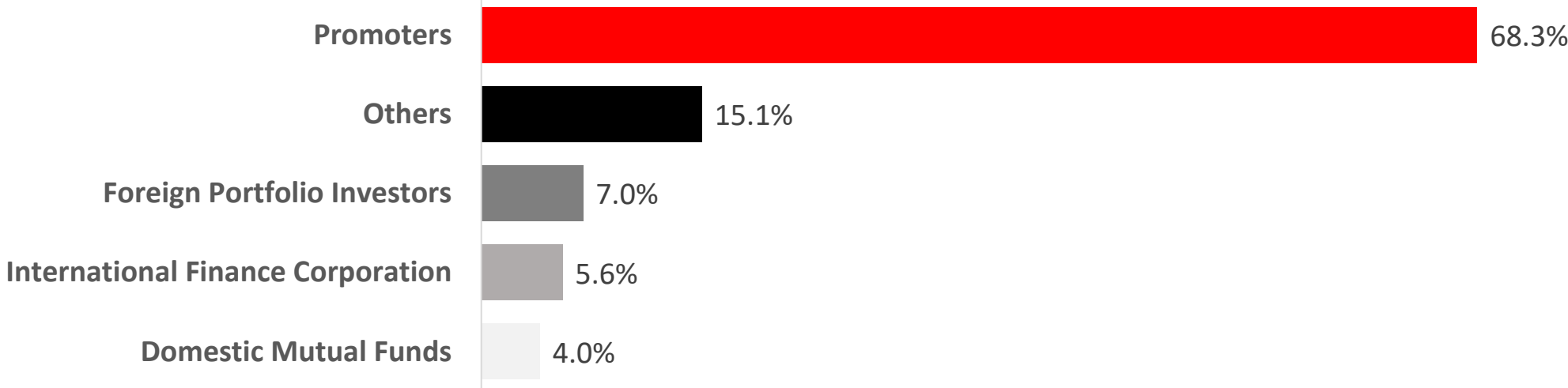
Other Income (INR mn)	Q3FY21	Q2FY21	Q3FY20	9MFY21	9MFY20
Interest income *	36	52	72	287	216
Gain/loss on Redemption of investment	59	34	30	106	142
Fair value of financial assets (MTM)	0	0	-105	0	51
Exchange differences (net)	233	225	0	563	0
Miscellaneous income	17	17	7	53	54
Total	345	327	3	1008	463

*Interest income includes one-off item explained on slide 13

Finance Cost (INR mn)	Q3FY21	Q2FY21	Q3FY20	9MFY21	9MFY20
Interest on Bank Borrowings	29	26	9	88	53
Interest on LC, VBD and Leases	38	48	34	162	130
Other borrowing costs	22	47	41	90	136
Foreign Exchange Gain/loss	0	-8	2	25	17
Total	88	114	86	365	336

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 31st December 2020.



Safe Harbour

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international copper, aluminum, oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward-looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time based on subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.



Thank you

Polycab India Limited

CIN: L31300GJ1996PLC114183

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