

## POLYCAB INDIA LIMITED

Polycab House, 771 Mogul Lane, Mahim (W), Mumbai – 400016  
CIN: L31300GJ1996PLC114183  
Tel : +91 22 2432 7070-74 Fax : +91 22 2432 7075  
Email: [shares@polycab.com](mailto:shares@polycab.com) Website: [www.polycab.com](http://www.polycab.com)



Date: 21<sup>st</sup> January 2022

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 31<sup>st</sup> December 2021.

Kindly take the same on your record.

Thanking you

Yours Faithfully  
**For Polycab India Limited**

**Company Secretary and Compliance Officer**

Membership No.: A18321  
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 FY2022 Presentation

21 January 2022




# Q3 FY2022

Financial Performance




# Key Highlights

 **Top-line (Revenue)**


**Q3FY22: 33,720 mn**  
⌄ 23% YoY  
⌄ 12% QoQ

**9M FY22: 82,338 mn**  
⌄ 41% YoY

 **Operating (EBITDA)**

**Q3FY22: 3,620 mn**  
⌄ 3% YoY  
⌄ 24% QoQ

**9M FY22: 7,867 mn**  
⌄ 11% YoY

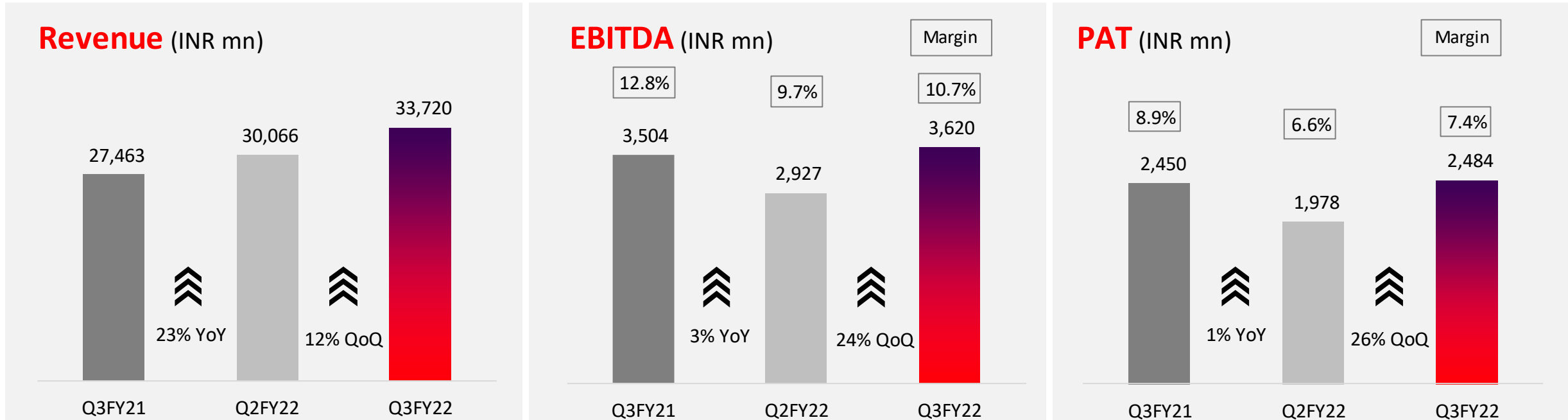
 **Profitability (PAT)**

**Q3FY22: 2,484 mn**  
⌄ 1% YoY  
⌄ 26% QoQ

**9M FY22: 5,199 mn**  
⌄ 11% YoY

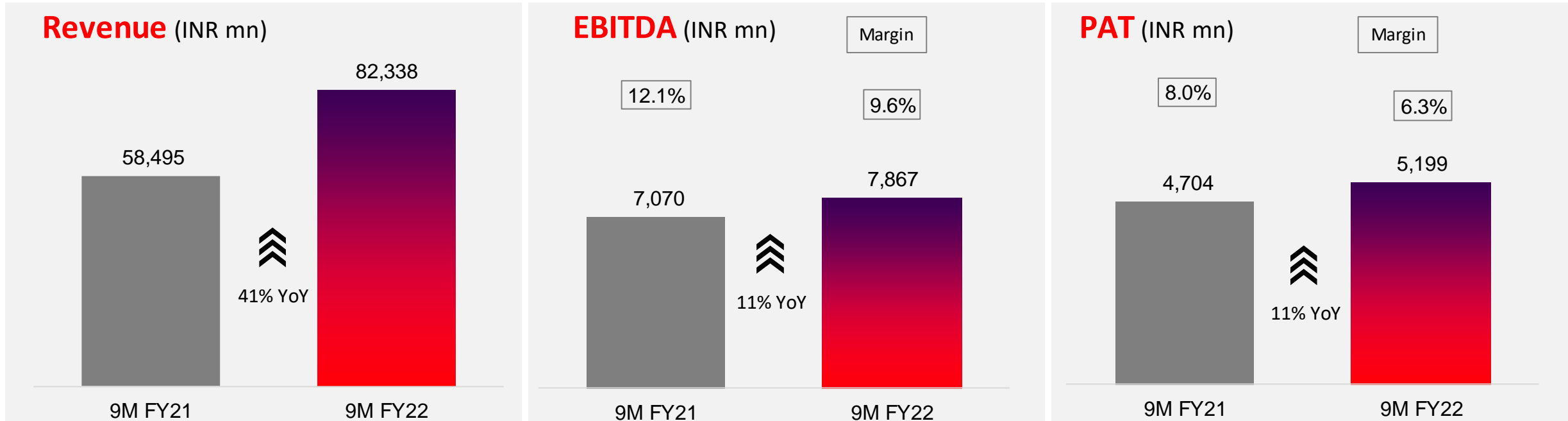


# Q3 FY22: Sustaining sequential momentum



- Revenue was up by 23% YoY and 12% on a sequential basis with healthy growth across categories. On a biennial basis it was up by 34%.
- EBITDA margin continued to improve sequentially by 100bps to 10.7% led by price hikes and better operating leverage, partly offset by input cost pressures and higher A&P spends.
- PAT margin improved to 7.4% against previous quarter. PAT was up by 1% YoY and 26% sequentially.
- Net Cash position stood at Rs 6.7bn as of December 2021 end. Debt to Equity decreased to 0.02x.
- Ryker Base divestment transaction was consummated in December 2021. Consequently, P&L and segment numbers for prior comparable periods are restated in accordance with the applicable accounting standard.

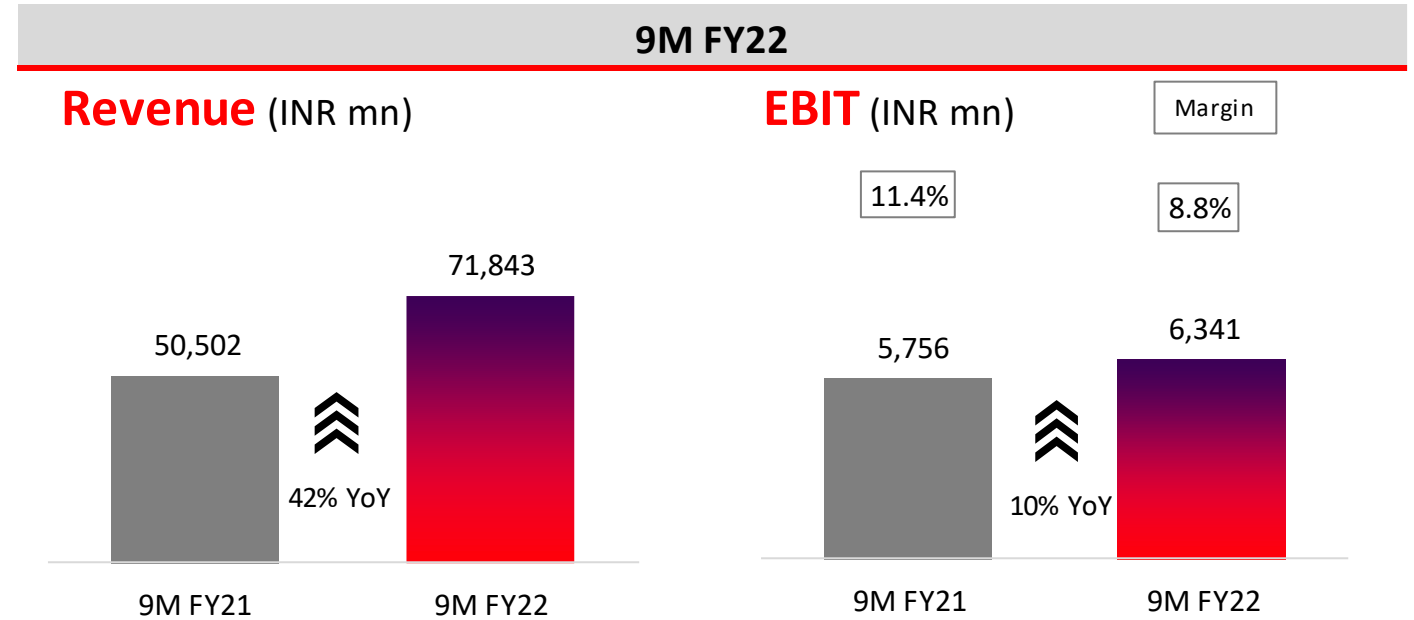
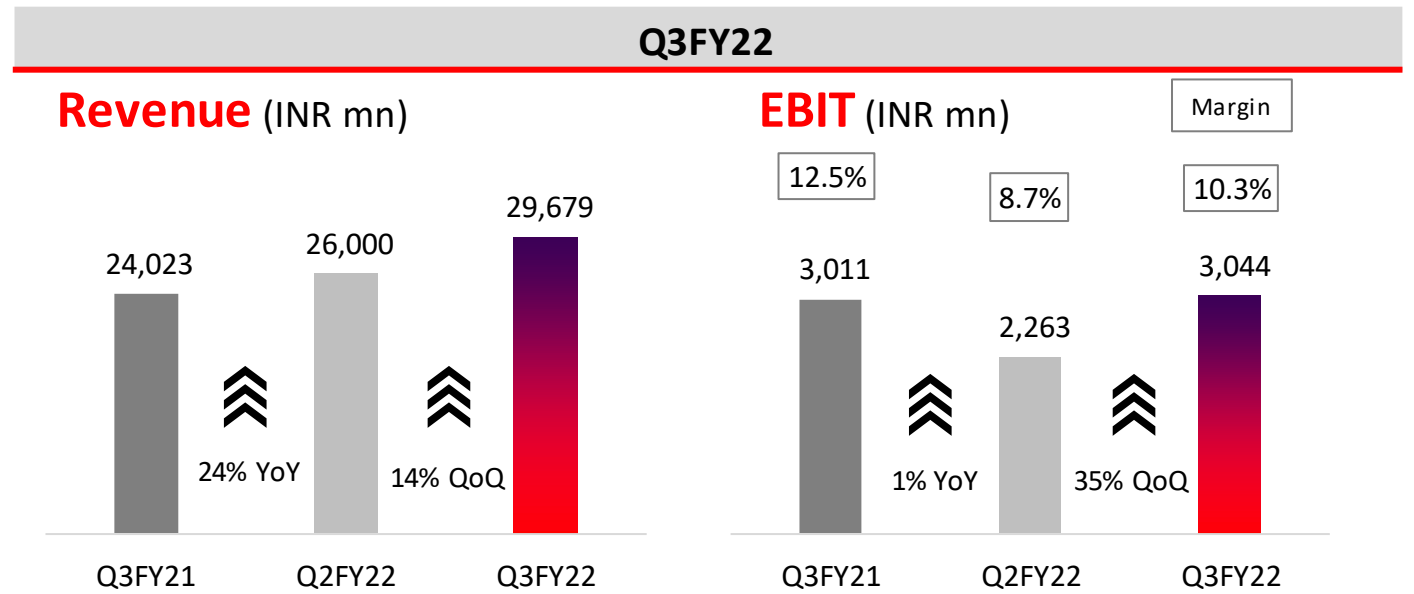
# 9M FY22: Healthy broad based growth



- Revenue grew by 41% YoY enduring the impact of second wave at the beginning of the fiscal year.
- EBITDA grew 11% YoY despite adverse operating leverage seen in first quarter and continuing raw material inflation.
- PBT stood at 6.85bn grew by 7% YoY with 8.3% margin. Adjusted PAT was up 11% YoY. PAT margin stood at 6.3%.

# Wires and Cables

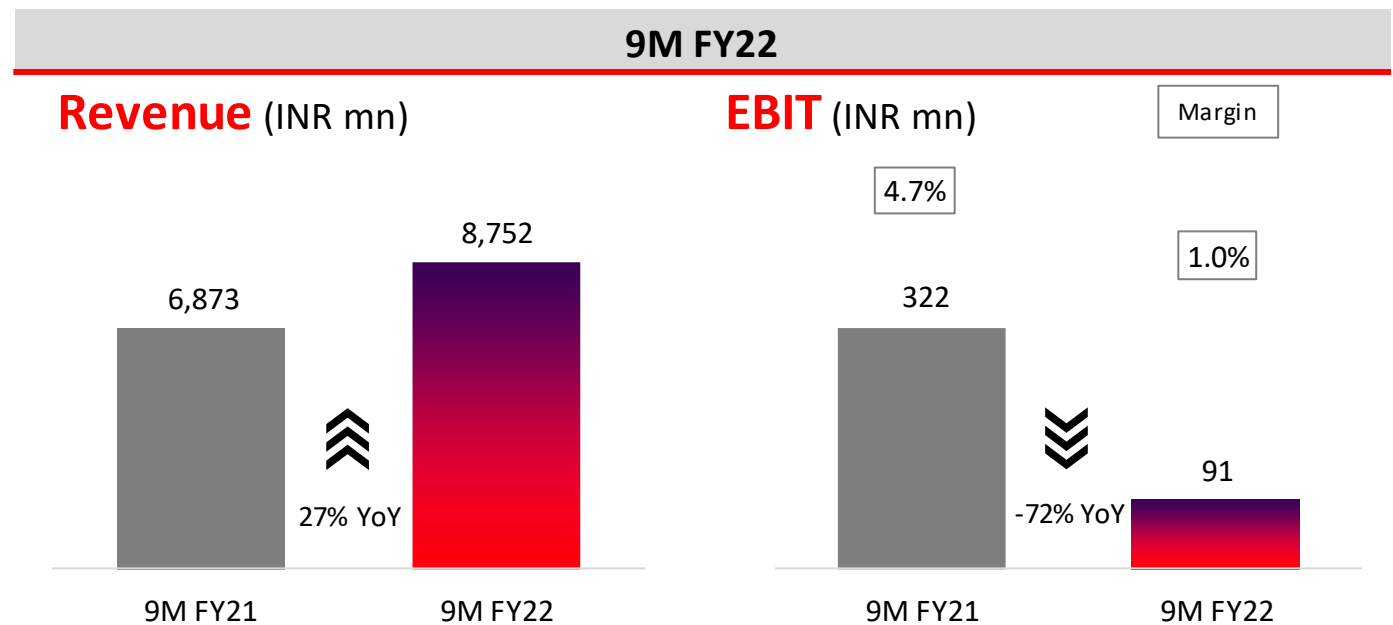
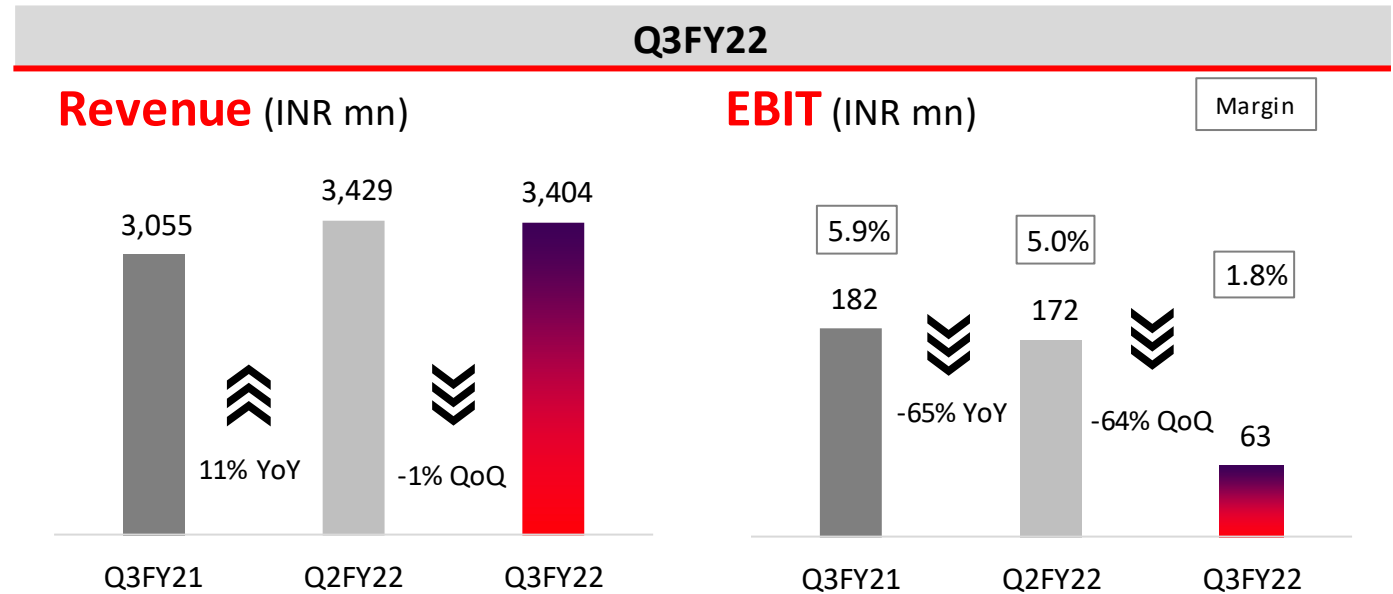
- Wires and Cables revenue grew by 24% on YoY basis and 38% on a biennial basis. Overall demand environment sustained the sequential momentum.
- While domestic distribution driven business continued to remain healthy, Institutional business bounced back strongly led by good uptick in private investments across industries.
- This coupled with, impacted trade sentiments due to volatility in copper prices and fears of lockdown in latter half of the quarter led to Cables growing faster than Wires in 3Q.
- Exports business declined by 8% YoY largely on account of one large order in base year. Excluding that, the business posted a healthy 24% YoY growth led by Africa, Asia and Australia. Repeat purchase rate remains healthy in most of the geographies. Overall, this business contributed 8.1% to consolidated revenue.
- Profitability continued to improve on a sequential basis led by calibrated price hikes and better operating leverage.





# Fast Moving Electrical Goods

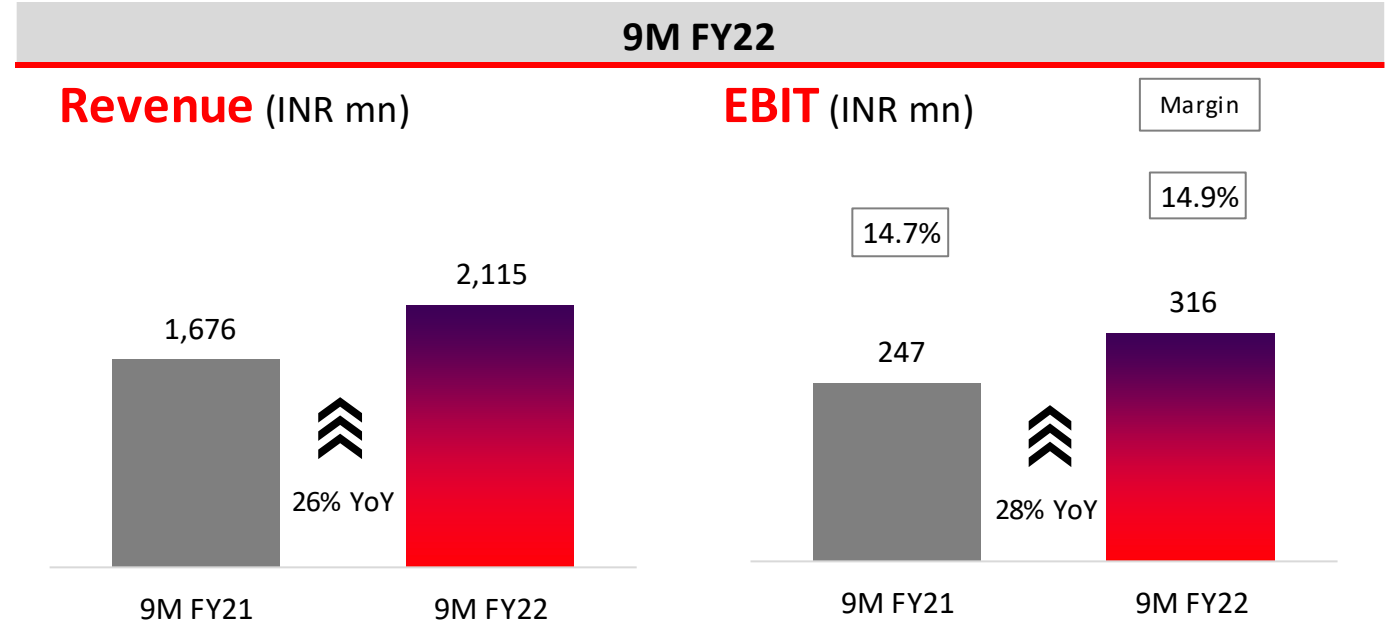
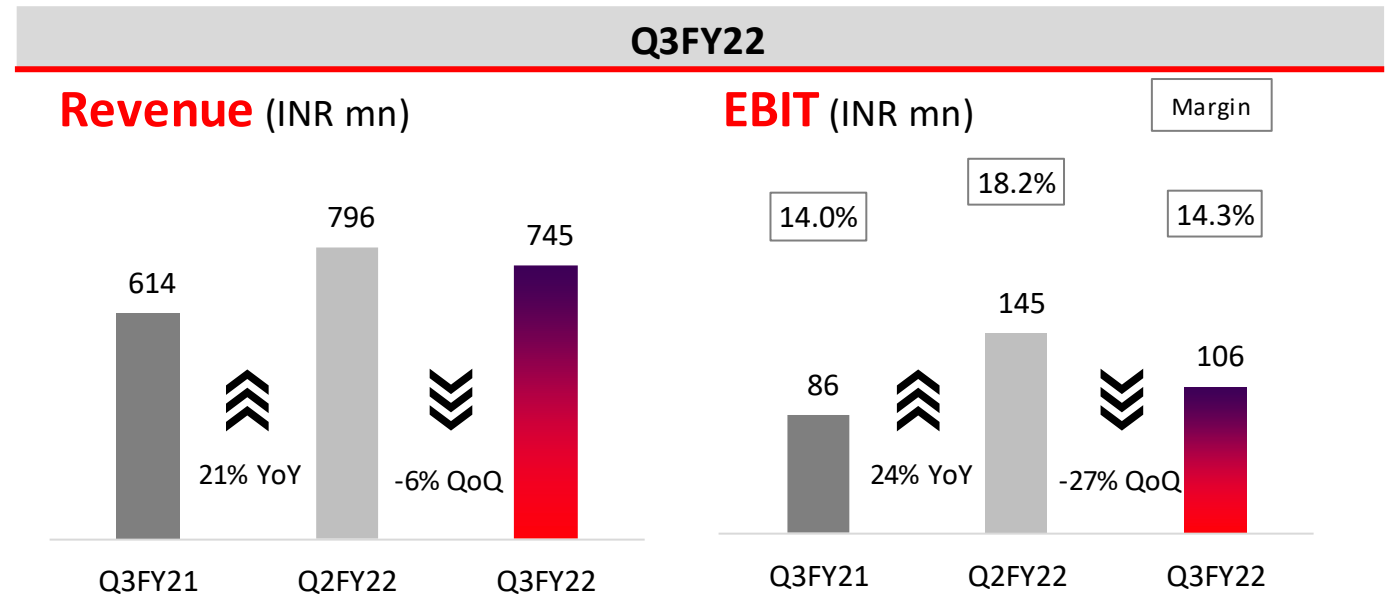
- FMEG business grew 11% YoY enduring the challenging market environment and a stronger base. October saw a robust momentum however December was impacted by weaker trade and consumer sentiments arising out of third wave. On a biennial basis growth remained healthy at 57%.
- Fans business was subdued; Lights, Pumps and Conduit Pipes business continued healthy growth momentum. Switchgears and Solar were about 1.5x on last years base.
- Work on distribution expansion, portfolio optimization, brand architecture and augmenting influencer management program is progressing well. These initiatives form a critical engine to drive profitable market leading growth over the mid to long term.
- Profitability was lower largely on account of higher A&P spends.





# Other

- Other segment largely comprises of our EPC business
- Total income at Rs 745mn grew by 21% YoY
- Segmental EBIT was up by 26% YoY. Margin stood at 14.3%.
- Annual sustainable operating margin in this business is expected to be in high single digit over mid to long term



# Financial Statements

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Scan for Interim Financial Statements



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# Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter						Year To Date			
	Q3FY22	%	Q2FY22	%	Q3FY21	%	9M FY22	%	9M FY21	%
<b>Revenue from Operation</b>	<b>33,720</b>	<b>100.0%</b>	<b>30,066</b>	<b>100.0%</b>	<b>27,463</b>	<b>100.0%</b>	<b>82,338</b>	<b>100.0%</b>	<b>58,495</b>	<b>100.0%</b>
Cost of Goods sold	26,095	77.4%	23,474	78.1%	20,880	76.0%	63,765	77.4%	43,315	74.0%
<b>Contribution (A)</b>	<b>7,625</b>	<b>22.6%</b>	<b>6,592</b>	<b>21.9%</b>	<b>6,584</b>	<b>24.0%</b>	<b>18,573</b>	<b>22.6%</b>	<b>15,180</b>	<b>26.0%</b>
Employee cost	1,025	3.0%	1,052	3.5%	881	3.2%	3,016	3.7%	2,561	4.4%
Other Operating Expenses	2,983	8.8%	2,611	8.7%	2,204	8.0%	7,669	9.3%	5,548	9.5%
Total Operating Expenses (B)	4,008	11.9%	3,662	12.2%	3,085	11.2%	10,685	13.0%	8,109	13.9%
Share of profit/(loss) of JVs (Net of tax) (C)	3	0.0%	-3	0.0%	5	0.0%	-22	0.0%	-1	0.0%
<b>EBITDA (A)-(B)+(C)</b>	<b>3,620</b>	<b>10.7%</b>	<b>2,927</b>	<b>9.7%</b>	<b>3,504</b>	<b>12.8%</b>	<b>7,867</b>	<b>9.6%</b>	<b>7,070</b>	<b>12.1%</b>
Other Income	216	0.6%	275	0.9%	325	1.2%	731	0.9%	798	1.4%
Depreciation	511	1.5%	509	1.7%	450	1.6%	1,513	1.8%	1,301	2.2%
Finance Cost	78	0.2%	51	0.2%	65	0.2%	227	0.3%	295	0.5%
<b>PBT</b>	<b>3,247</b>	<b>9.6%</b>	<b>2,642</b>	<b>8.8%</b>	<b>3,314</b>	<b>12.1%</b>	<b>6,858</b>	<b>8.3%</b>	<b>6,271</b>	<b>10.7%</b>
Income Tax	763	2.3%	664	2.2%	864	3.1%	1,659	2.0%	1,567	2.7%
<b>Adjusted PAT</b>	<b>2,484</b>	<b>7.4%</b>	<b>1,978</b>	<b>6.6%</b>	<b>2,450</b>	<b>8.9%</b>	<b>5,199</b>	<b>6.3%</b>	<b>4,704</b>	<b>8.0%</b>
Exceptional items / Discontinued ops.	678	2.0%	27	0.1%	186	0.7%	721	0.9%	1,323	2.3%
<b>Reported PAT</b>	<b>3,162</b>	<b>9.4%</b>	<b>2,005</b>	<b>6.7%</b>	<b>2,636</b>	<b>9.6%</b>	<b>5,919</b>	<b>7.2%</b>	<b>6,027</b>	<b>10.3%</b>
<b>Exceptional items / Discontinued ops. (INR mn)</b>	<b>Q3FY22</b>	<b>%</b>	<b>Q2FY22</b>	<b>%</b>	<b>Q3FY21</b>	<b>%</b>	<b>9M FY22</b>	<b>%</b>	<b>9M FY21</b>	<b>%</b>
Income tax refund (Income Tax expense)	-	-	-	-	-	-	-	0.0%	839	1.4%
Interest on income tax refund (Other income)	-	-	-	-	-	-	-	0.0%	164	0.3%
Profit from Discontinued operations	678	-	27	-	186	-	721	0.9%	320	0.5%
<b>Total</b>	<b>678</b>	<b>2.0%</b>	<b>27</b>	<b>0.1%</b>	<b>186</b>	<b>0.7%</b>	<b>721</b>	<b>0.9%</b>	<b>1,323</b>	<b>2.3%</b>

# Consolidated Balance Sheet

Particulars (INR mn)	Dec-21	Sep-21	Dec-20
<b>Assets</b>			
<b><u>Non-current Assets</u></b>			
Fixed Assets	18,128	20,414	19,506
Non-current Deposits	2,092	2,090	21
Other Non-current Assets	2,225	2,242	2,245
<b>Total Non-current Assets</b>	<b>22,444</b>	<b>24,746</b>	<b>21,772</b>
<b><u>Current Assets</u></b>			
Inventories	27,173	21,559	18,301
Trade Receivables	12,216	10,908	11,860
Investments	3,546	6,619	10,456
Cash and Bank Balances	1,895	2,421	5,473
Others - Current Assets	4,527	3,801	3,458
<b>Total Current Assets</b>	<b>49,357</b>	<b>45,310</b>	<b>49,547</b>
<b>Total Assets</b>	<b>71,801</b>	<b>70,055</b>	<b>71,319</b>

Particulars (INR mn)	Dec-21	Sep-21	Dec-20
<b>Equity and Liabilities</b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	1,494	1,493	1,491
Reserves and Surplus	50,667	47,397	43,242
<b>Total Shareholder's Funds</b>	<b>52,160</b>	<b>48,889</b>	<b>44,733</b>
Minority Interest	219	227	171
<b><u>Non-current Liabilities</u></b>			
Borrowings	37	779	1,163
Others - Non-current Liabilities	1,119	1,286	1,303
<b>Total Non-current Liabilities</b>	<b>1,155</b>	<b>2,065</b>	<b>2,467</b>
<b><u>Current Liabilities</u></b>			
Short-term Borrowings	756	1,579	1,430
Trade Payables	13,952	13,125	17,864
Others - Current Liabilities	3,559	4,170	4,655
<b>Total Current Liabilities</b>	<b>18,267</b>	<b>18,874</b>	<b>23,949</b>
<b>Total Equity and Liabilities</b>	<b>71,801</b>	<b>70,055</b>	<b>71,319</b>

# Consolidated Condensed Cash Flow Statement

Particulars (INR mn)	Quarter			Year To Date	
	Q3FY22	Q2FY22	Q3FY21	9M FY22	9M FY21
Net Cash Flow from Operating Activities	-3,981	3,655	7,713	-1,910	15,463
Net cash flow from/(used in) investing activities	3,996	-1,024	-7,297	2,171	-13,337
Net cash flow from/(used in) financing activities	-223	-2,409	-233	-1,884	-1,364
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>-208</b>	<b>222</b>	<b>184</b>	<b>-1,624</b>	<b>762</b>

## Other key data points

Particulars (INR mn)	Quarter			Year To Date	
	Q3FY22	Q2FY22	Q3FY21	9M FY22	9M FY21
Advertisement and sales promotion expense	436	142	372	656	538
Capital expenditure	930	708	658	2,438	1,328
Net Cash Position*	6,740	8,773	13,357	6,740	13,357
Trade acceptances*	6,936	7,471	11,314	6,936	11,314
Goods in Transit*	805	430	1,639	805	1,639
Exports contribution (%)	8.1%	8.4%	10.7%	7.7%	10.6%

\* as at period end

# Other financial metrics

Working Capital in days	Trailing twelve months					Closing				
	Q3FY22	Q2FY22	Q1FY22	FY21	FY20	Q3FY22	Q2FY22	Q1FY22	FY21	FY20
Receivable Days	39	37	40	59	57	40	37	35	59	59
Inventory days	97	93	114	108	112	116	95	129	110	110
Payable Days	84	77	87	102	122	74	75	91	102	105
<b>Net Working Capital</b>	<b>52</b>	<b>52</b>	<b>67</b>	<b>65</b>	<b>48</b>	<b>82</b>	<b>57</b>	<b>73</b>	<b>67</b>	<b>64</b>

Other Income (INR mn)	Q3FY22	Q2FY22	Q3FY21	9M FY22	9M FY21
Interest income	62	60	38	202	137
Gain/loss on Redemption of investment	48	56	59	157	106
Fair value of financial assets (MTM)	25	2	0	26	0
Exchange differences (net)	74	113	214	303	505
Miscellaneous income	8	27	15	43	50
<b>Total</b>	<b>216</b>	<b>258</b>	<b>325</b>	<b>731</b>	<b>798</b>

Finance Cost (INR mn)	Q3FY22	Q2FY22	Q3FY21	9M FY22	9M FY21
Interest on Bank Borrowings	2	2	4	8	19
Interest on LC, VBD and Leases	28	14	38	74	162
Other borrowing costs	48	35	24	145	95
Foreign Exchange Gain/loss	0	0	0	0	18
<b>Total</b>	<b>78</b>	<b>51</b>	<b>65</b>	<b>227</b>	<b>295</b>

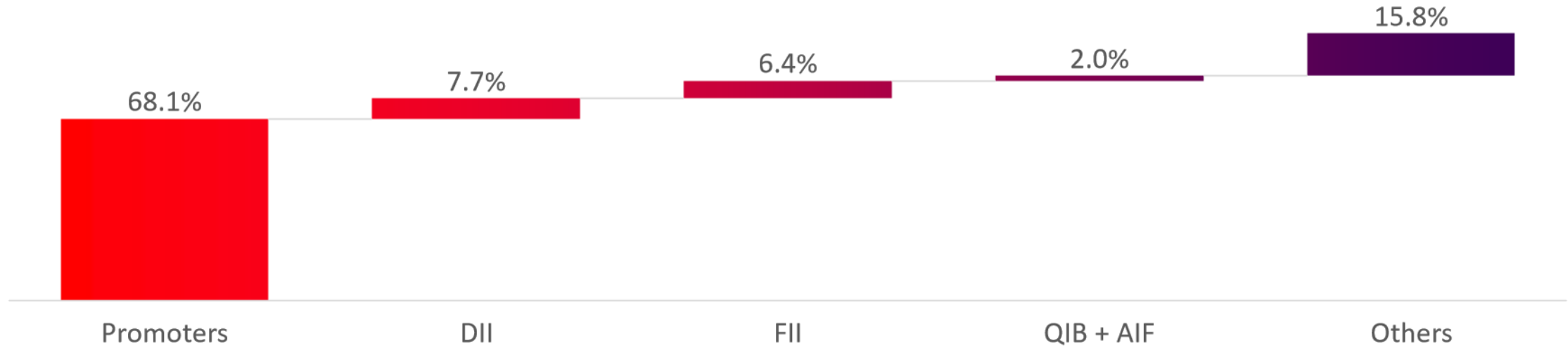


# 360-degree visibility across platforms





# Shareholding Pattern



Note: As on 31st December 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"



# 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.

# Notes and general definitions



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

THANK YOU

Polycab India Limited

Contact us

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