

## **POLYCAB INDIA LIMITED**

(formerly known as Polycab Wires 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> July 2020

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 ended 30<sup>th</sup> June 2020.

Kindly take the same on your record.

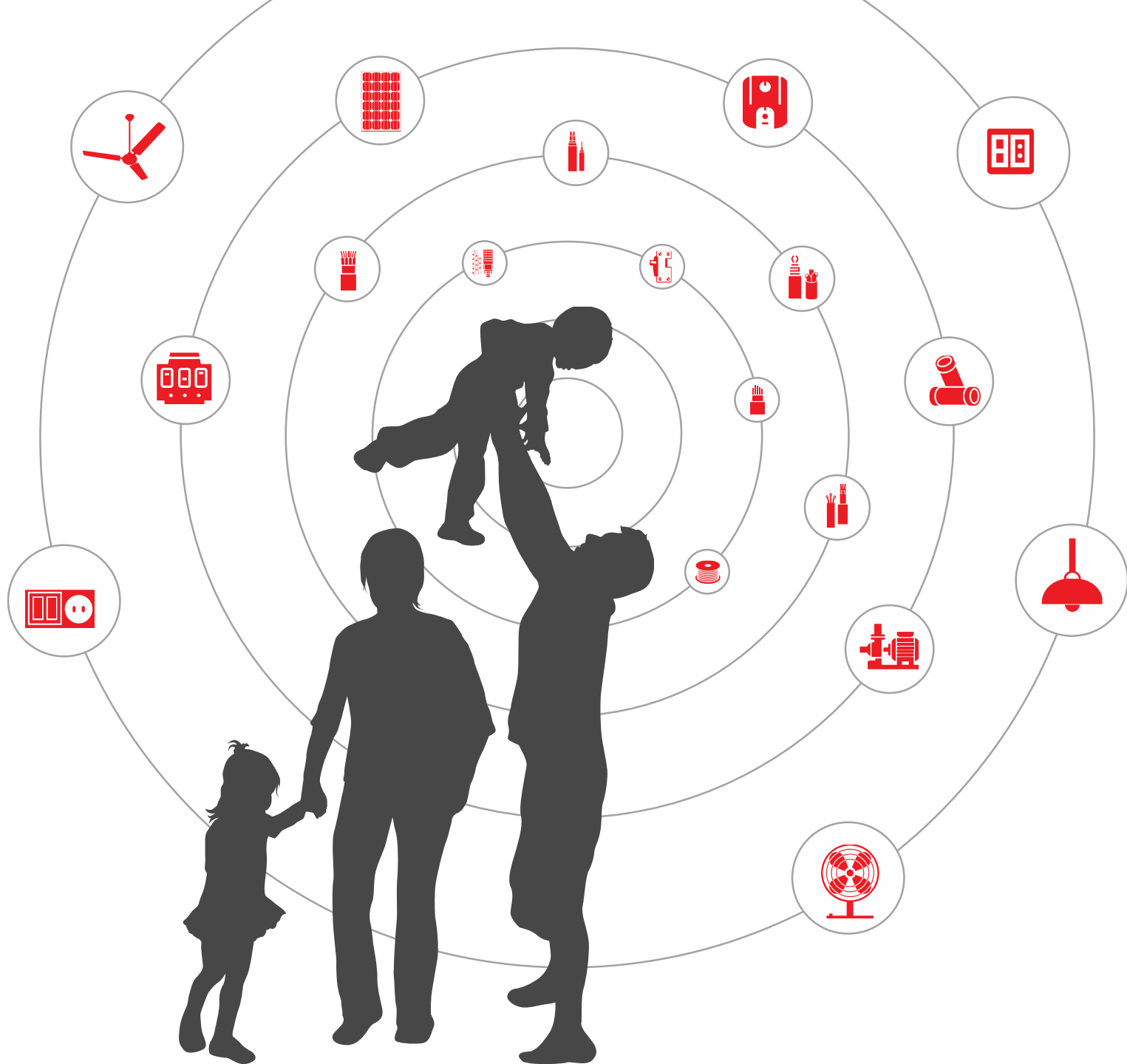
Thanking you

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



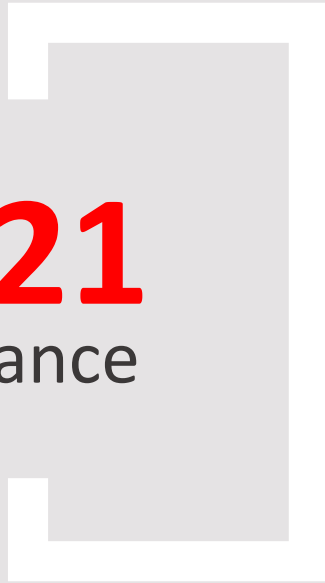
# Q1 FY2021

## Earnings Presentation

21 July 2020

# Q1 FY2021

Financial Performance



# Key Highlights



## Top-line (Revenue)

Q1 FY21: 9,766 mn

≡ -50% Y-o-Y

≡ -54% Q-o-Q



## Operating (EBITDA)

Q1 FY21: 563 mn

≡ -75% Y-o-Y

≡ -81% Q-o-Q



## Profitability (PAT)

Q1 FY21: 1,176 mn

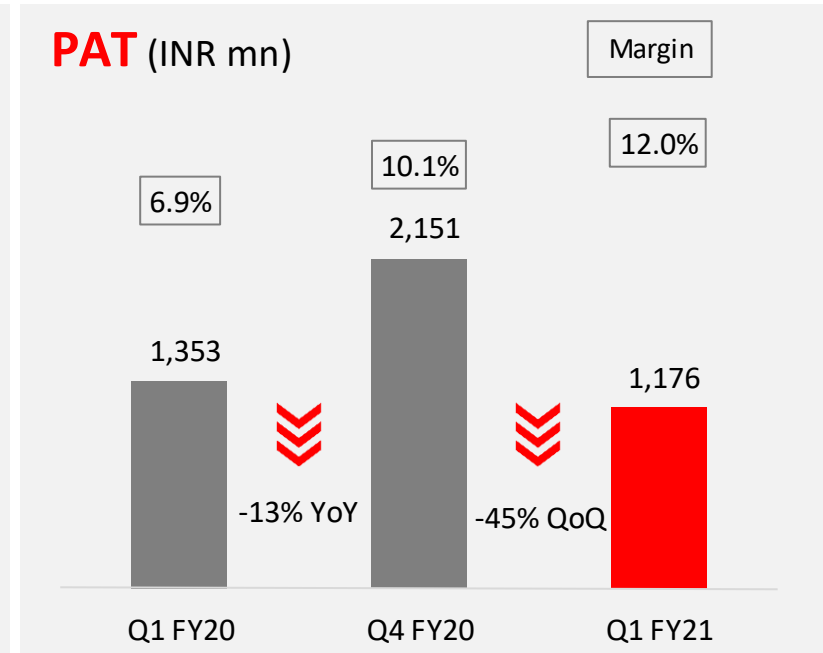
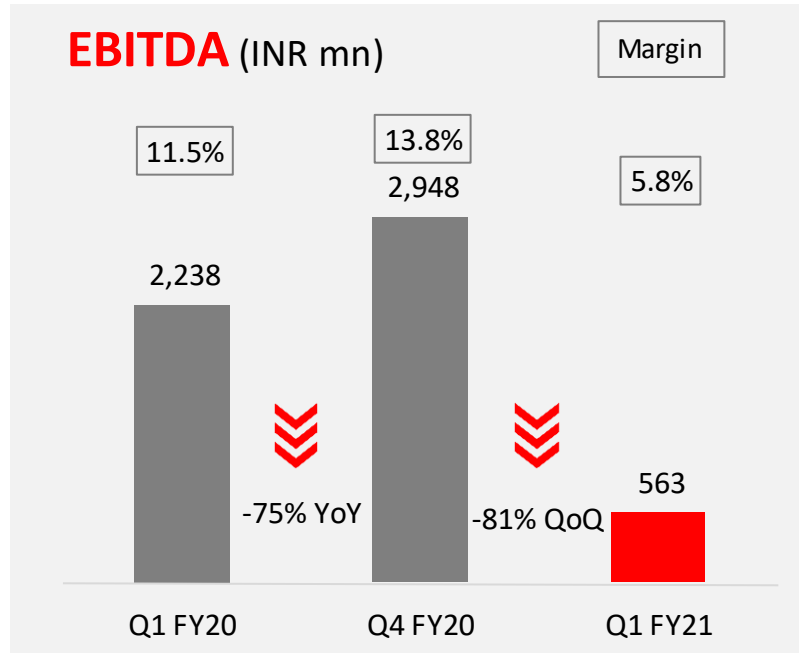
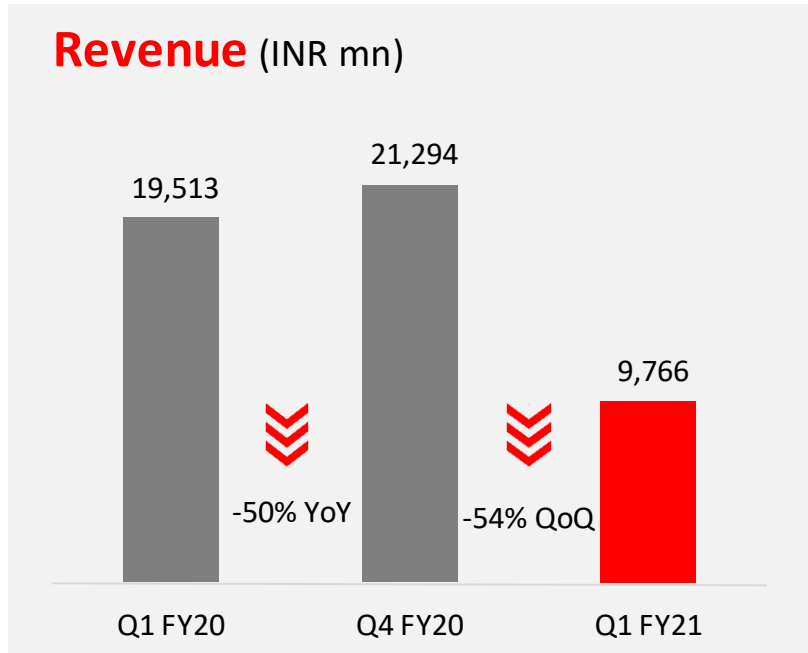
≡ -13% Y-o-Y

≡ -45% Q-o-Q



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

# Q1 FY20: Severely impacted by outbreak of pandemic

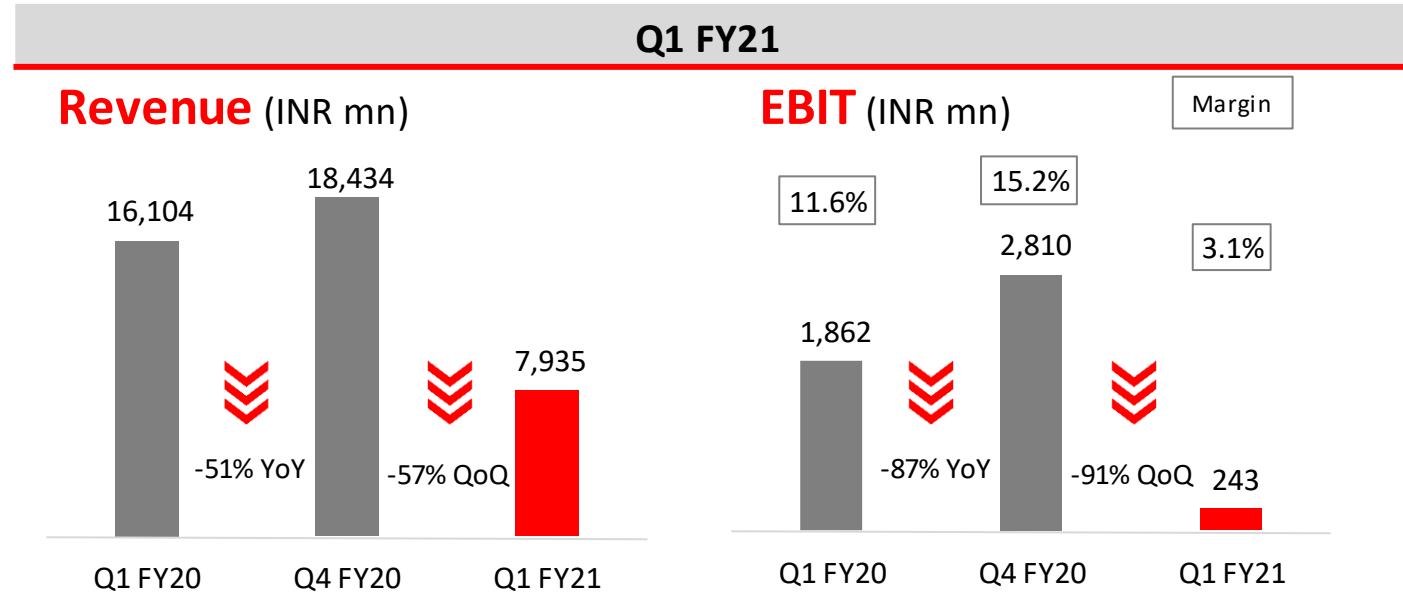


- Revenue declined by 50% YoY and 54% QoQ severely impacted by COVID-19 outbreak
- EBITDA margins declined by 571ps YoY and 808bp QoQ due to adverse operating leverage
- PBT before exceptional items at 294mn declined by 86% YoY. PBT margin at 3% declined by 758bps YoY
- PAT margin at 12% was up sharply by 510bp YoY largely driven by one-off items as explained on slide 9

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

- Total income in Q1 FY21 declined by 51% YoY due to severe impact of COVID-19 outbreak.
- Domestic sales were hampered by nationwide lockdown. Domestic distribution channel sales were half of last year while institutional business was impacted severely due to delays in order finalisation.
- Within domestic distribution channel sales, housing wires business saw great traction posting a strong double digit growth in month of June. However it is likely to be driven by pent up demand and pre-stocking due to price hikes. Consumer footfalls in retail still remain low especially in large metros.
- Dangote Project linked sales were nil in Q1. Despite that exports posted robust growth of 116% YoY led by good traction in select developed geographies. It contributed over 10% to overall top-line vs 2% in Q1FY20.
- Profitability deteriorated on account of adverse operating leverage



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

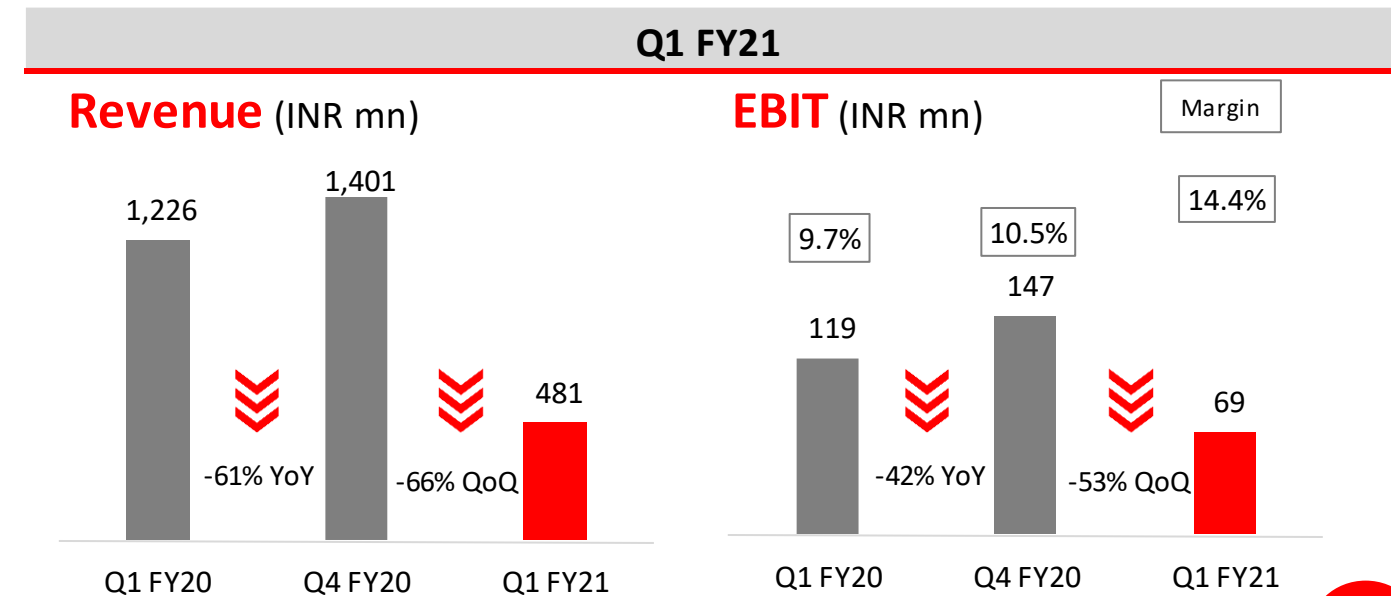
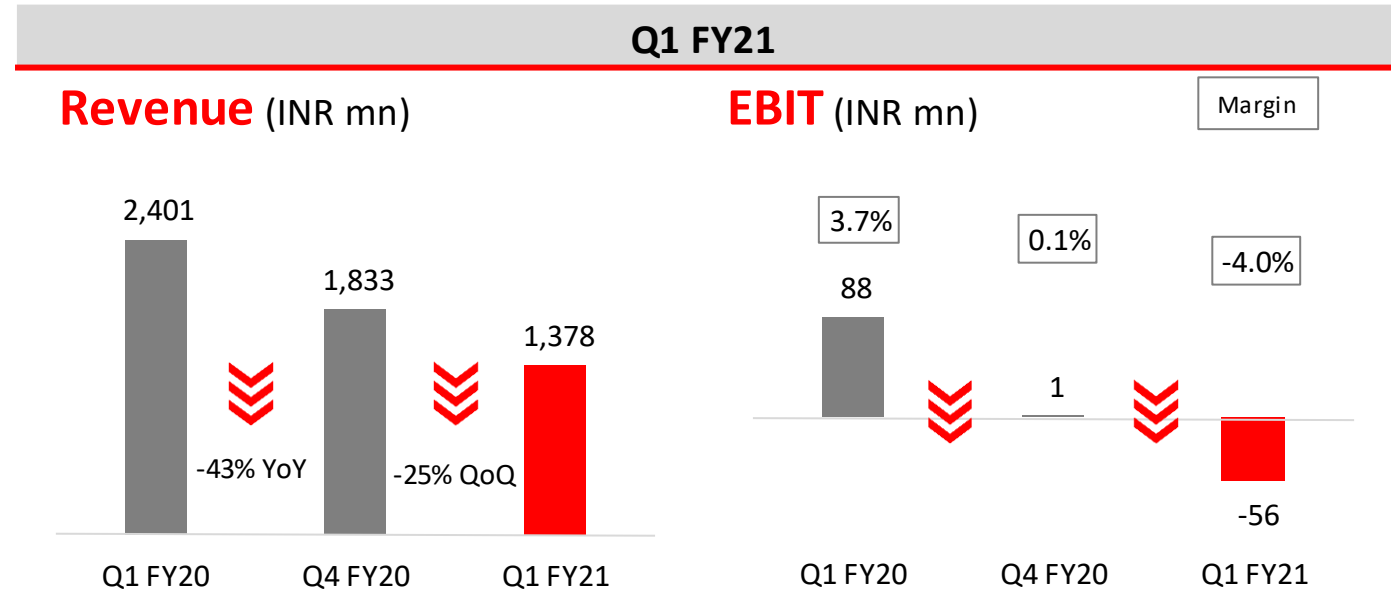
# Fast Moving Electrical Goods

- Total income in Q1 FY21 declined by 43%. FMEG contribution to overall sales increased 177bp YoY to 14% in Q1 FY21. June was close to flattish however there maybe an element of pent up demand. Overall trade sentiment and consumer footfalls in retail channel remains low.
- Lighting and Agro pumps saw better progress. Fans was impacted as April and May are typically key summer stocking periods.
- Adverse leverage led to operating loss

# Others

- Other segment which largely comprises of our EPC business was impacted due to stalled execution on account of lockdown.
- Total income in Q1FY21 declined by 61% YoY. Operating profitability was higher.
- 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



**POLYCAB**  
Connection Zindagi Ka

**Polycab Experience Center**  
Flagship Store, Lohar Chawl, Mumbai

**best store design**

category: consumer durables, IT & telecom  
specialty store design

**VM-3D retail design awards 2020**

designed & developed by **studiomars™**

**District Programme Management Unit**  
**District Health Society-Vadodara**  
Office of The District Health Officer  
4th Floor, Health Branch, District Panchayat, Vadodara.  
Phone: 820-241181 Fax: 820-241181  
E-Mail: dhs.health@nic.nic.in | dhs.vadodara@nic.nic.in

Date: 08/07/2020

Dear Sir,

I undersigned **Dr. Uday Tilavat** hereby appreciate your noble work of sponsoring 500 pcs. of Pulse Oximetre to health department, district panchayat, Vadodara. In this pandemic situation of COVID-19 Government machinery is working very hard since 15<sup>th</sup> March 2020. Government of Gujarat is supporting in every aspects, we would like to serve in 660+ villages of 8 different talukas of Vadodara district through 42 Phcs, 10Chcs and 242 Sub Centres. This Pulse Oximetre is useful in Dhanvantari Rath and at the same time during surveillance at every villages. We shall definitely help people for early detection. It will reduce burden at hospital level and at the same time patients does not have to undergo for long tense treatment of corona.

We are very much obliged by your CSR Activities. I am Thankful to Polycab India Ltd. and Polycab Social Welfare Foundation for helping Vadodara District Panchayat in this Situation.

Thanking You,  
Your Sincerely

To:  
Shri, Rakesh Talati,  
Director  
Polycab India Ltd  
Baska, Haldol.



**5<sup>th</sup> International ICT Excellence Awards 2020**

**Presented to**  
**Polycab India Limited**  
for  
**"Excellent Digital Infrastructure Company"**

**In August Presence of**

**Prof. Dr. Akshai Aggarwal**  
Prof Emeritus, School of CS  
at Univ. Windsor, Canada &  
Former Vice-Chancellor of Gujarat Tech Univ.

**Prof. R. Godara**  
Vice Chancellor  
VMOU  
Kota

**Hon'ble Dr. Malcolm Johnson**  
Deputy Secretary General  
International Telecommunications Union  
Geneva

**Prof. N.K Goyal**  
President, CMAI Association of India  
& National Technical Education Empowerment Committee  
formed by AICTE

Along with WSIS Forum & Conference on Digital Transformation & Innovations in Cyber Security,  
ICT new technologies and Linking Education with ICTs Capacity Building & Employability

**LIVE from GENEVA, SWITZERLAND**  
10<sup>th</sup> July 2020

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# Financial Statements

Scan for Financial Results



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Scan for Interim Financial Statements



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# Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter					
	Q1FY21	%	Q4FY20	%	Q1FY20	%
<b>Revenue from Operation</b>	<b>9,766</b>	<b>100.0%</b>	<b>21,294</b>	<b>100.0%</b>	<b>19,513</b>	<b>100.0%</b>
Cost of Goods sold	7,097	72.7%	14,769	69.4%	14,278	73.2%
<b>Contribution (A)</b>	<b>2,669</b>	<b>27.3%</b>	<b>6,525</b>	<b>30.6%</b>	<b>5,235</b>	<b>26.8%</b>
Employee cost	812	8.3%	899	4.2%	920	4.7%
Other Operating Expenses	1,282	13.1%	2,620	12.3%	2,079	10.7%
Total Operating Expenses (B)	2,094	21.4%	3,519	16.5%	2,999	15.4%
Share of profit/(loss) of JVs (Net of tax) (C)	-12	-0.1%	-58	-0.3%	2	0.0%
<b>EBITDA (A)-( B)+(C)</b>	<b>563</b>	<b>5.8%</b>	<b>2,948</b>	<b>13.8%</b>	<b>2,238</b>	<b>11.5%</b>
Other Income	336	3.4%	465	2.2%	336	1.7%
Depreciation	443	4.5%	422	2.0%	385	2.0%
Finance Cost	163	1.7%	159	0.7%	123	0.6%
Exceptional items	97	1.0%	0	0.0%	0	0.0%
<b>PBT</b>	<b>391</b>	<b>4.0%</b>	<b>2,831</b>	<b>13.3%</b>	<b>2,066</b>	<b>10.6%</b>
Income Tax	-785	-8.0%	680	3.2%	713	3.7%
<b>PAT</b>	<b>1,176</b>	<b>12.0%</b>	<b>2,151</b>	<b>10.1%</b>	<b>1,353</b>	<b>6.9%</b>
<b>One off Items (INR mn)</b>	<b>Q1FY21</b>	<b>%</b>				
(-) Income tax refund	839	8.6%				
(-) Interest on income tax refund (Other income)	164	1.7%				
(-) Gain on previously held equity interest in Ryker (Exceptional Items)	97	1.0%				
<b>Adjusted PAT</b>	<b>75</b>	<b>0.8%</b>				

# Consolidated Balance Sheet

Particulars (INR mn)	Jun'20	Mar'20	Jun'19
<b><u>Assets</u></b>			
<b><u>Non-current Assets</u></b>			
Fixed Assets	19,160	16,632	15,562
Other Non-current Assets	2,458	2,485	2,536
<b>Total Non-current Assets</b>	<b>21,618</b>	<b>19,117</b>	<b>18,097</b>
<b><u>Current Assets</u></b>			
Inventories	19,928	19,250	18,470
Trade Receivables	12,044	14,336	11,420
Investments	3,093	400	4,062
Cash and Bank Balances	3,288	2,813	4,547
Others - Current Assets	2,317	3,700	3,213
<b>Total Current Assets</b>	<b>40,671</b>	<b>40,499</b>	<b>41,712</b>
<b>Total Assets</b>	<b>62,289</b>	<b>59,616</b>	<b>59,809</b>

Particulars (INR mn)	Jun'20	Mar'20	Jun'19
<b><u>Equity and Liabilities</u></b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	1,489	1,489	1,486
Reserves and Surplus	38,320	36,875	31,812
<b>Total Shareholder's Funds</b>	<b>39,810</b>	<b>38,364</b>	<b>33,299</b>
Minority Interest	150	150	92
<b><u>Non-current Liabilities</u></b>			
Borrowings	1,464	107	574
Others - Non-current Liabilities	1,214	904	942
<b>Total Non-current Liabilities</b>	<b>2,679</b>	<b>1,011</b>	<b>1,517</b>
<b><u>Current Liabilities</u></b>			
Short-term Borrowings	2,263	1,115	554
Trade Payables	11,709	13,537	14,706
Others - Current Liabilities	5,679	5,440	9,642
<b>Total Current Liabilities</b>	<b>19,651</b>	<b>20,091</b>	<b>24,902</b>
<b>Total Equity and Liabilities</b>	<b>62,289</b>	<b>59,616</b>	<b>59,809</b>

# Consolidated Cash Flow Statement

Particulars (INR mn)	Quarter		
	Q1FY21	Q4FY20	Q1FY20
Net Cash Flow from Operating Activities	3,042	-2,980	3,663
Net cash flow from/(used in) investing activities	-3,165	5,333	-5,762
Net cash flow from/(used in) financing activities	615	-1,195	2,801
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>492</b>	<b>1,158</b>	<b>702</b>

## Other data points

Particulars (INR mn)	Quarter		
	Q1FY21	Q4FY20	Q1FY20
Advertisement and sales promotion expense	32	185	386
Capital expenditure	245	512	1,079
Net Cash Position*	2,057	1,642	6,676
Trade acceptances*	6,970	8,136	9,233
Goods in Transit*	3,530	3,060	4,540

Notes: \* as at period end

# Other financial metrics

Working Capital in days	Trailing twelve months			Closing		
	Q1FY21	FY20	FY19	Q1FY21	FY20	FY19
Receivable Days	54	57	60	56	59	61
Inventory days	124	112	103	129	110	122
Payable Days	129	122	110	107	105	148
<b>Net Working Capital</b>	<b>49</b>	<b>48</b>	<b>53</b>	<b>78</b>	<b>64</b>	<b>35</b>

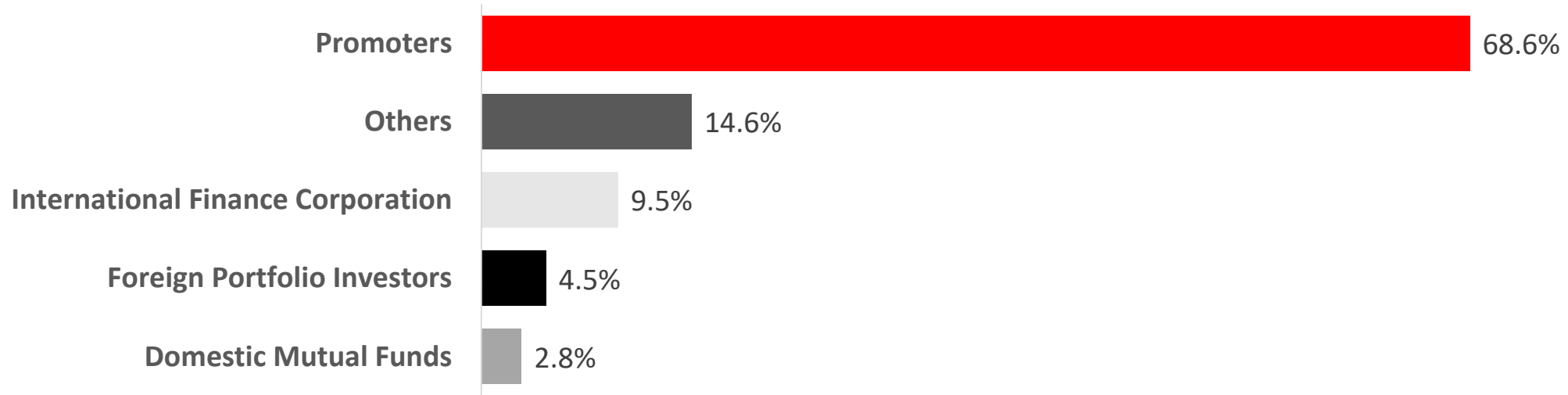
Other Income (INR mn)	Q1FY21	Q4FY20	Q1FY20
Interest income *	199	54	67
Gain/loss on Redemption of investment	14	37	52
Fair value of financial assets (MTM)	0	342	155
Exchange differences (net)	104	0	44
Miscellaneous income	19	32	18
<b>Total</b>	<b>336</b>	<b>465</b>	<b>336</b>

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

Finance Cost (INR mn)	Q1FY21	Q4FY20	Q1FY20
Interest on Borrowings	102	63	73
Interest on Purchase / Sales / Discounting	7	25	7
Bank Charges	21	46	40
Foreign Exchange Gain/loss	33	25	3
<b>Total</b>	<b>163</b>	<b>159</b>	<b>123</b>

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 30 June 2020. Promoter holding dilution in % terms is on account of issuance of new shares under ESOP scheme.



# 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

Contact us

For investor relations: [investor.relations@polycab.com](mailto:investor.relations@polycab.com)

For queries on shares & investor grievance: [shares@polycab.com](mailto:shares@polycab.com)

Website: [www.polycab.com](http://www.polycab.com)