

## 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: 22<sup>nd</sup> October 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 half year ended 30<sup>th</sup> September 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

# Q2 FY2022 Presentation

22 October 2021

# Q2 FY2022

Financial Performance



# Key Highlights



## Top-line (Revenue)

**Q2FY22: 31,288 mn**

⌌ 48% YoY

⌌ 66% QoQ

**1H FY22: 50,093 mn**

⌌ 62% YoY



## Operating (EBITDA)

**Q2FY22: 3,025 mn**

⌌ -3% YoY

⌌ 121% QoQ

**1H FY22: 4,397 mn**

⌌ 19% YoY



## Profitability (PAT)

**Q2FY22: 2,005 mn**

⌌ -9% YoY

⌌ 166% QoQ

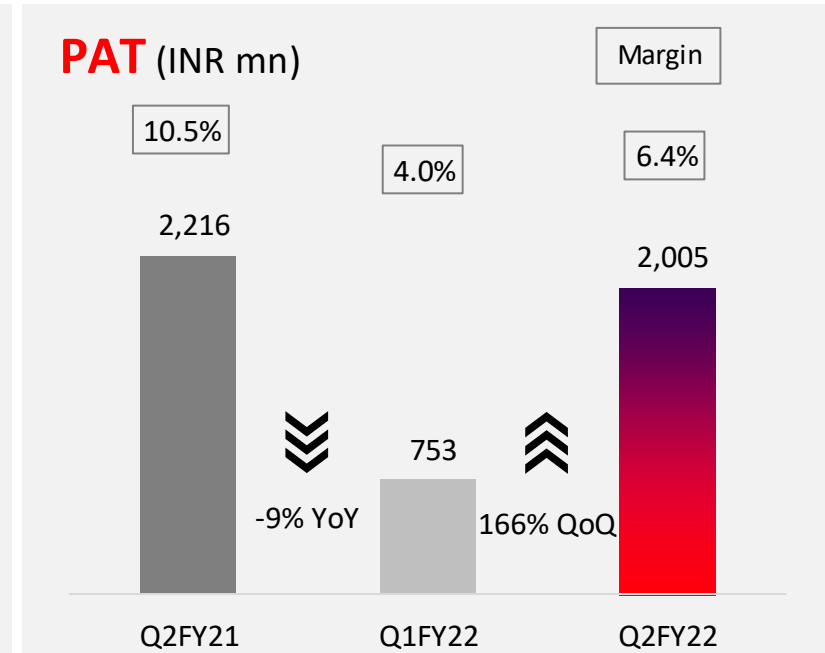
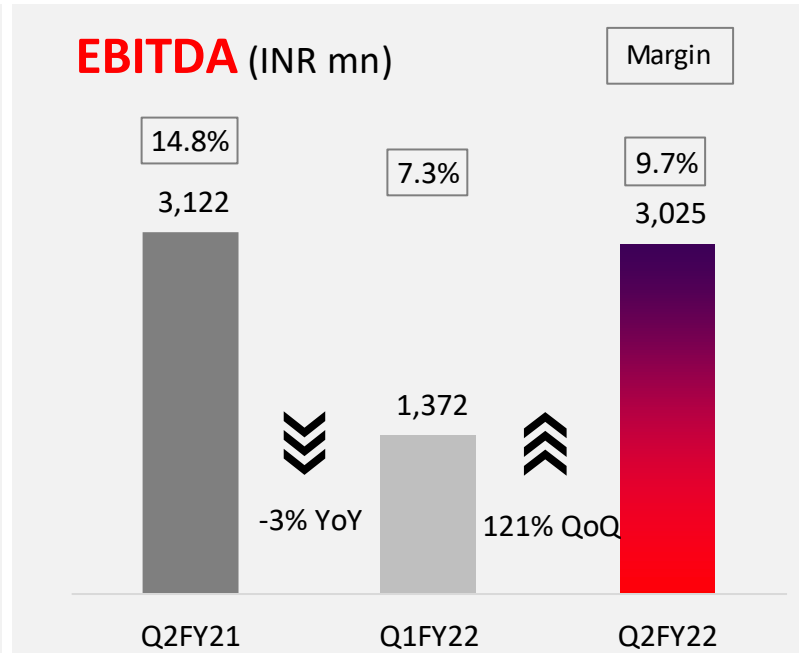
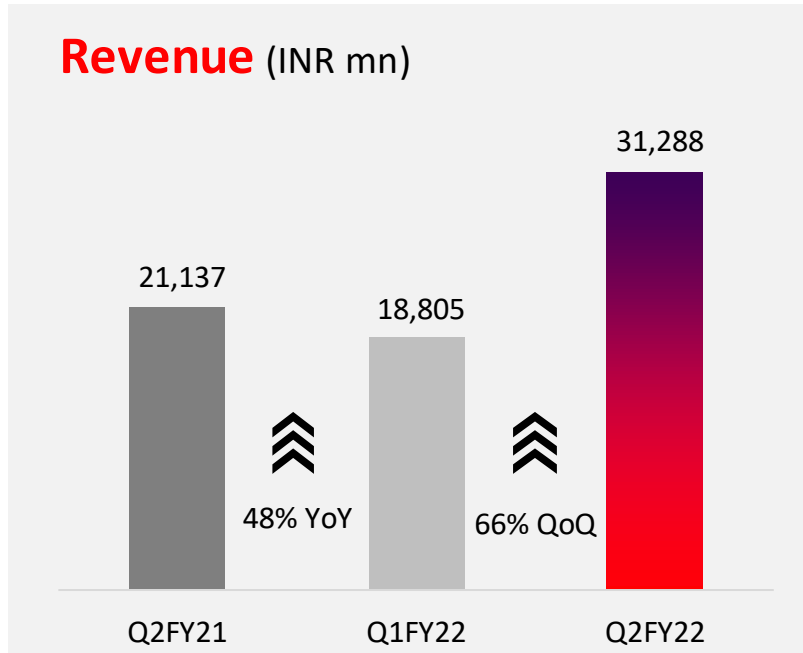
**1H FY22: 2,758 mn**

⌌ -19% YoY



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 10

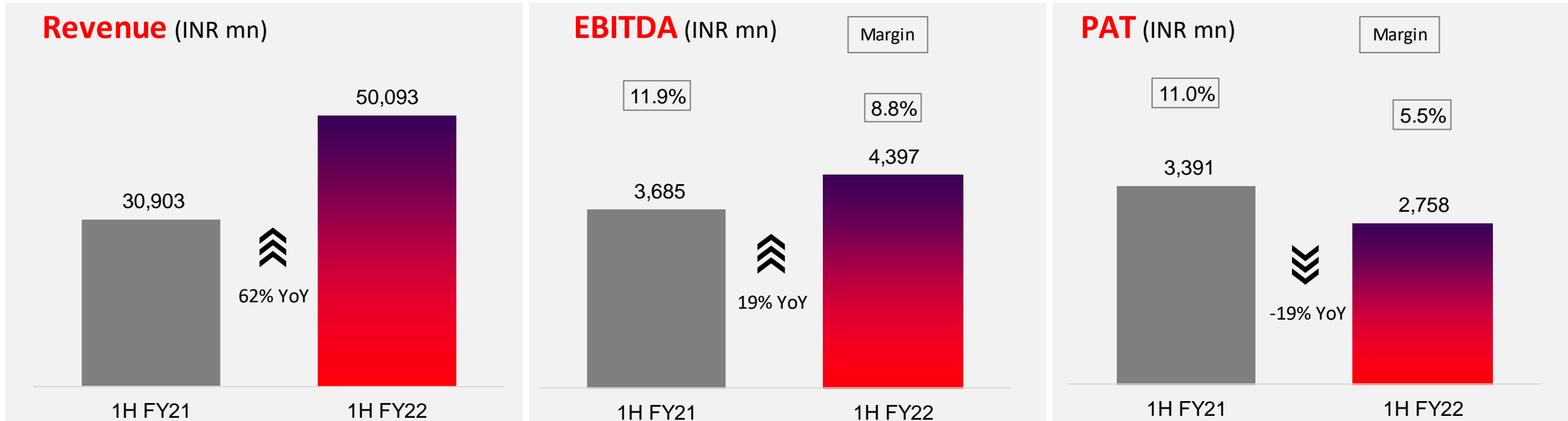
# Q2 FY22: Improving growth momentum



- Revenue was up by 48% YoY with broad based growth across segments and markets. On a biennial basis revenue was up by 40%
- EBITDA margin improved by 237bps sequentially to 9.7% with favourable operating leverage partly offset by input cost pressures
- PAT margin at 6.4% improved by 241bps against previous quarter. PAT was down by 9% YoY
- Net Cash position increased to Rs 8.7bn as of September 2021 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 (6) PAT Margin: Profit after Tax for the period divided by Revenue (7) Net Cash: Cash & equivalents + Investments + Non-current Deposits - Debt

# 1H FY22: Strong top-line performance



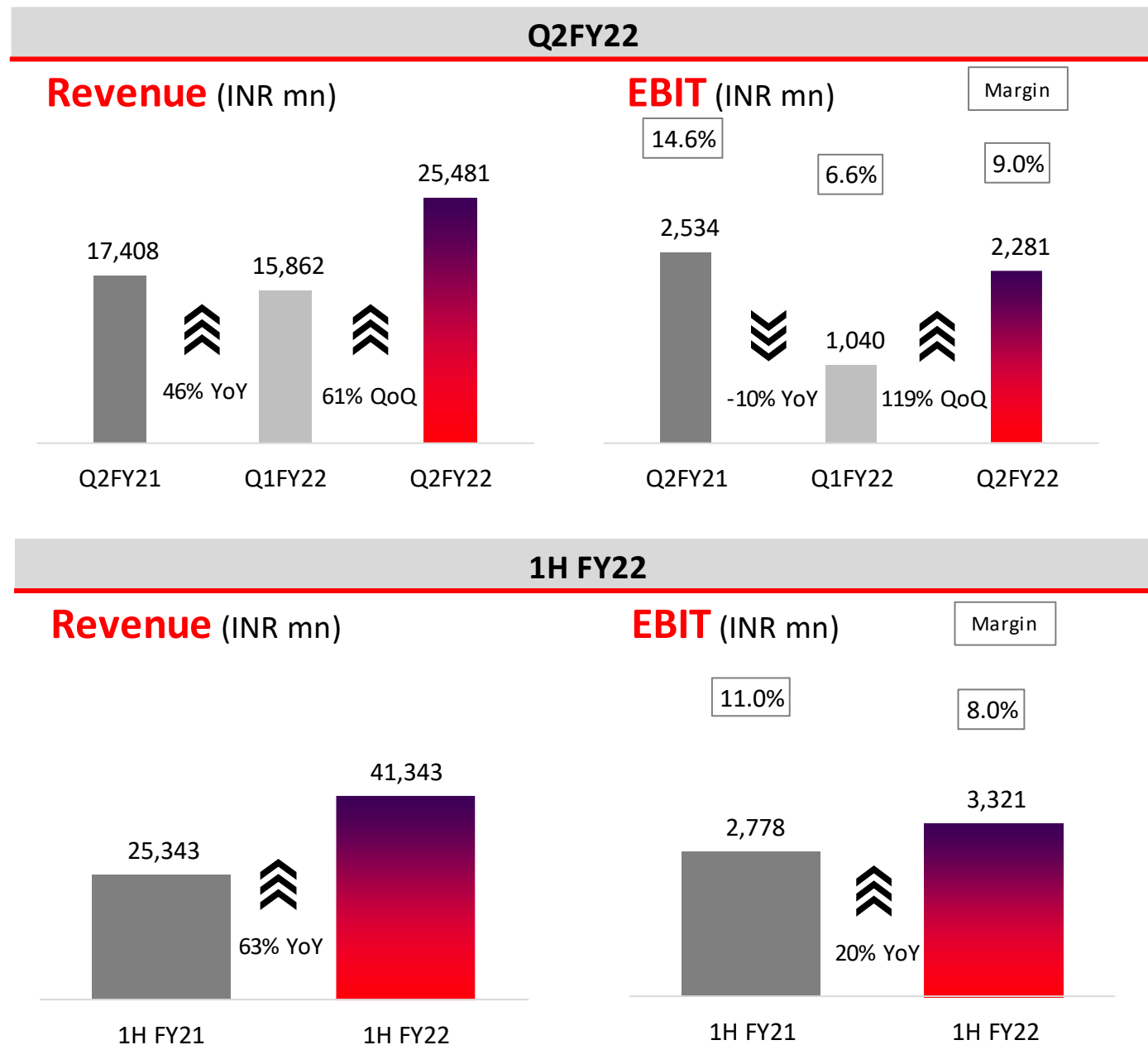
- Revenue grew by 62% YoY enduring the impact of second wave
- EBITDA grew 19% YoY despite adverse operating leverage seen in first quarter
- PBT stood at 3.6bn grew by 11% YoY with 7.3% margin. PAT was down 19% YoY due to few one off gains in base period. PAT margin stood at 5.5%

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

# Wires and Cables

- Wires and Cables revenue grew by 46% on YoY basis and 35% on a biennial basis. Overall demand environment continued to stage a sequential recovery. While the growth was broadly uniform across cables and wires, cables continue witness higher competitive intensity due to slightly suboptimal demand environment.
- Domestic distribution driven business sustained its healthy growth momentum. Institutional business continues to remain subdued however green shoots were seen in the month of September. Improving investments in infra and construction projects will aid demand over the near to medium term.
- Exports business grew 12% YoY contributing 8% to overall revenue in Q2FY22. Excluding a large order in the base period, growth was healthy at ~50% YoY led by USA, Australia and Africa. Logistical challenges related to unavailability of containers continued resulting in higher costs and execution delays.
- Profitability improved on a sequential basis on account of better operating leverage.

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

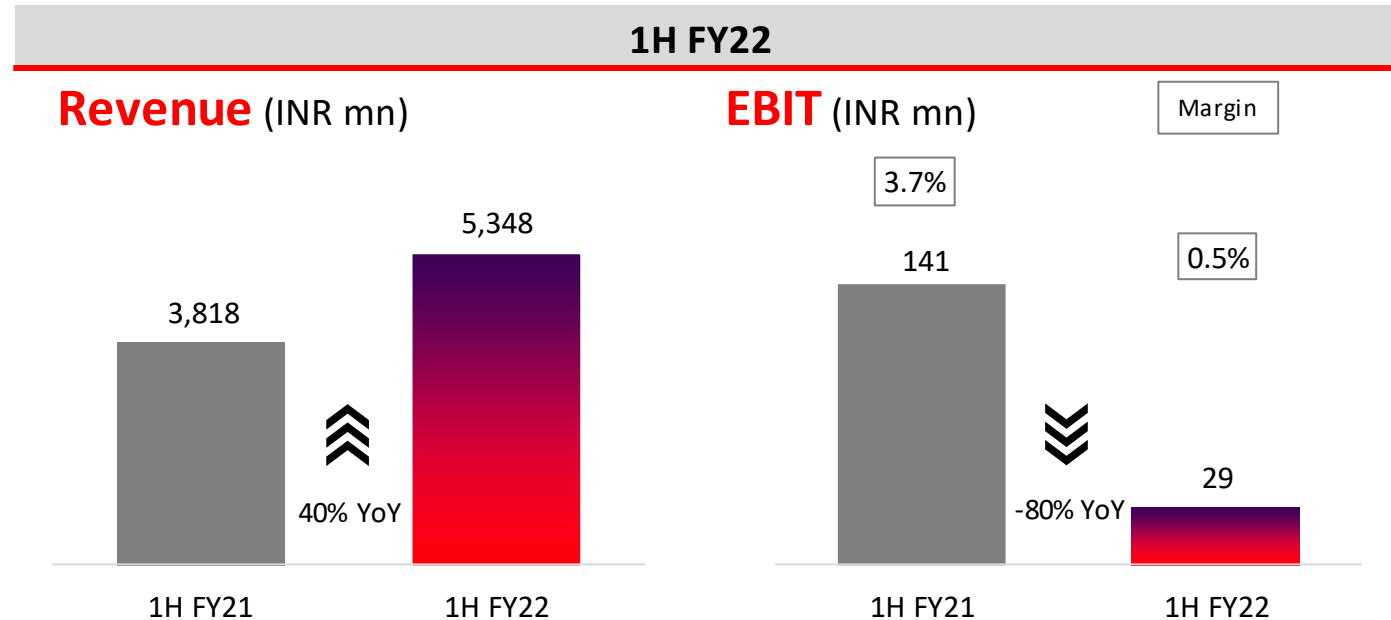
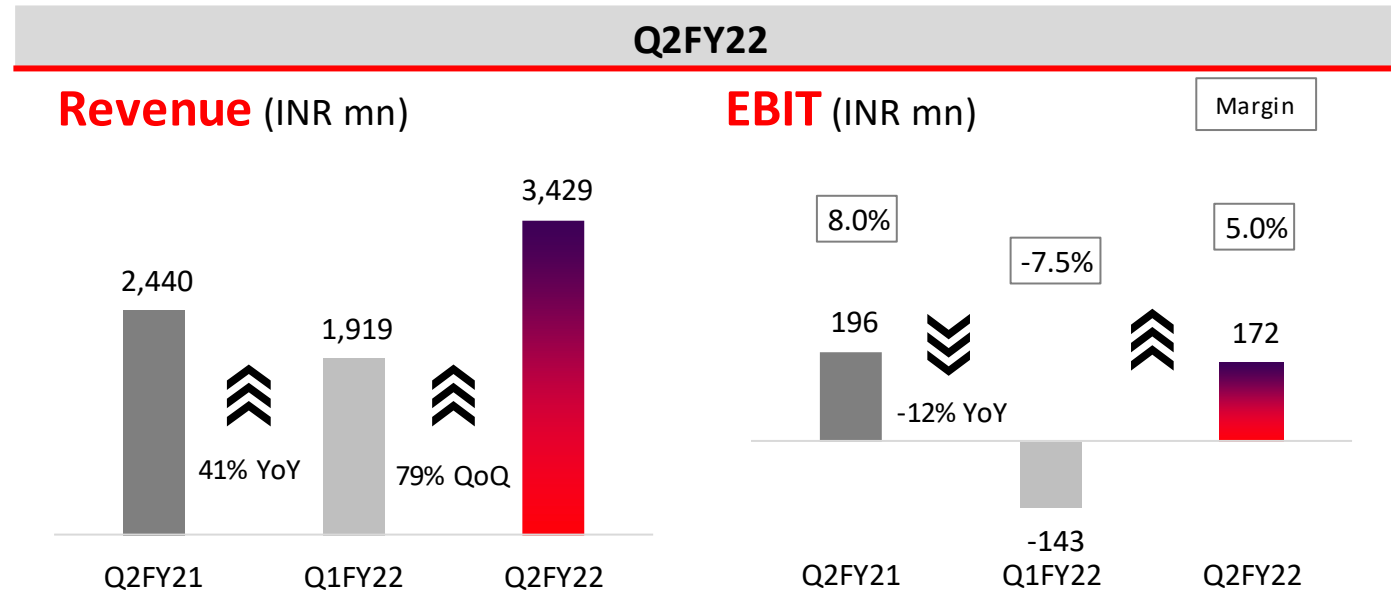




# Fast Moving Electrical Goods

- FMEG business sustains strong growth of 41% YoY and 75% on biennial basis. Q2 performance was underpinned by strategic interventions, distribution expansion and improving demand environment.
- Fans business was affected during the quarter on account of seasonality; Lights, Switches, Conduit Pipes and Pumps business posted healthy growth while other businesses including Switchgears, Solar and Water heaters were about 2x on last years base.
- Customer centricity and proactively engaging with influencers remains an important focal point to drive long term saliency of Polycab brand. CRM tools are being augmented to increase GTM efficiency, improve data analytics capabilities and drive meaningful innovation in the market.
- Profitability has improved sequentially on account of improved operating leverage, pricing actions and premiumization, despite severe input cost inflation and higher A&P spends.

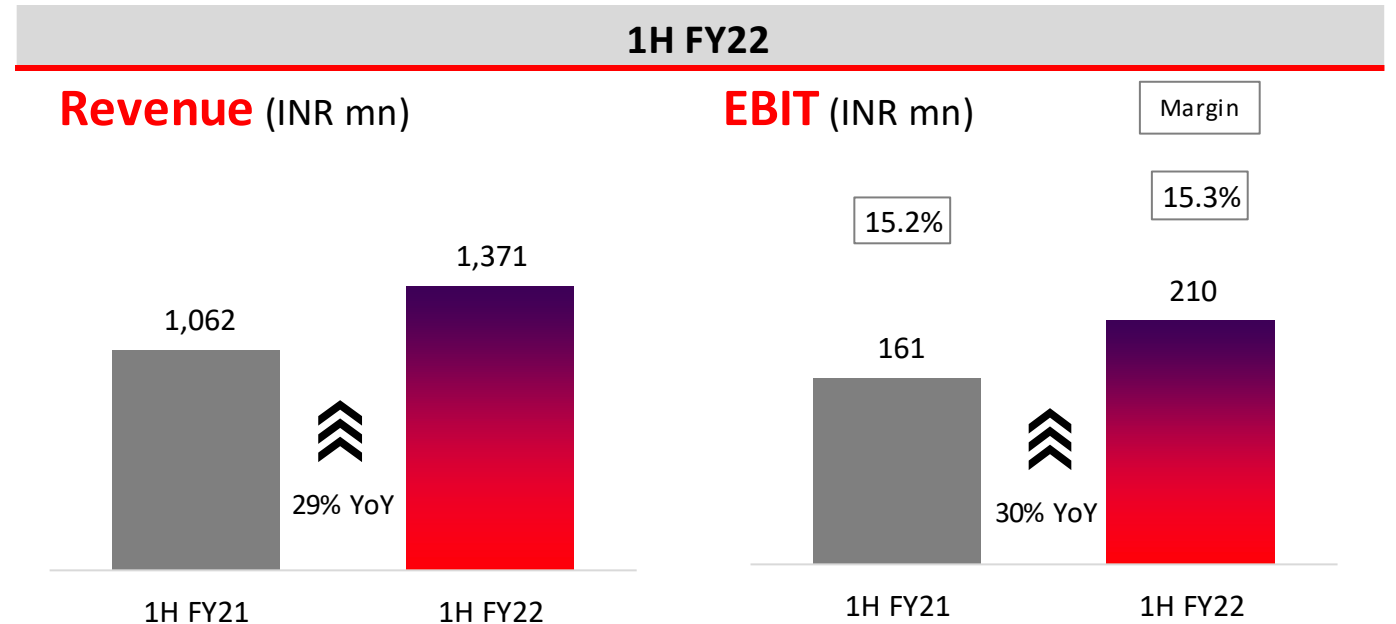
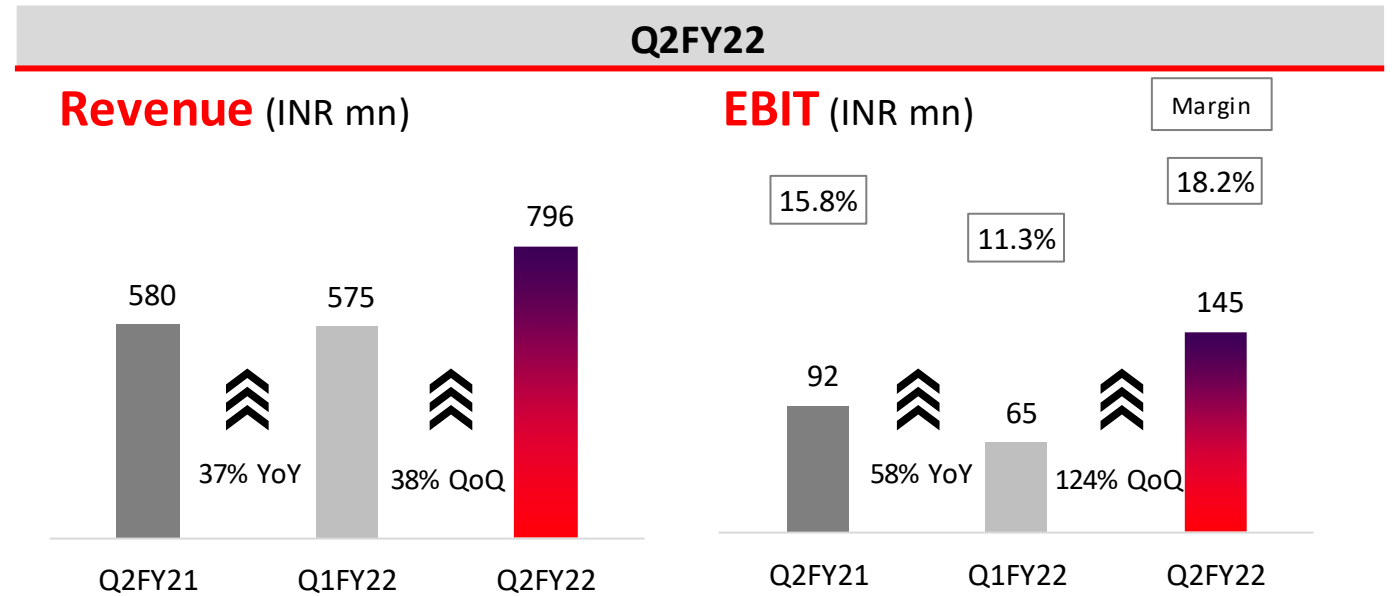
Notes: (1) Consolidated basis in INR mn (2) Revenue: Total income excluding finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income





# Other

- Other segment largely comprises of our EPC business
- Total income at Rs 796mn grew by 37% YoY and 38% QoQ with resumption in project activity.
- Segmental EBIT was up by 58% YoY. Margin stood at 18.2%.
- 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) Revenue: Total income excluding finance income (3) EBIT (Earnings before Interest and Tax): includes other income and excludes finance income

# Financial Statements

Scan for Financial Results



[Download Link](#)

Scan for Interim Financial Statements



[Download Link](#)



# Consolidated Profit and Loss Statement

Particulars (INR mn)	Quarter					
	Q2FY22	%	Q1FY22	%	Q2FY21	%
<b>Revenue from Operation</b>	<b>31,288</b>	<b>100.0%</b>	<b>18,805</b>	<b>100.0%</b>	<b>21,137</b>	<b>100.0%</b>
Cost of Goods sold	24,554	78.5%	14,399	76.6%	15,128	71.6%
<b>Contribution (A)</b>	<b>6,735</b>	<b>21.5%</b>	<b>4,406</b>	<b>23.4%</b>	<b>6,009</b>	<b>28.4%</b>
Employee cost	1,071	3.4%	959	5.1%	897	4.2%
Other Operating Expenses	2,635	8.4%	2,054	10.9%	1,987	9.4%
Total Operating Expenses (B)	3,706	11.8%	3,013	16.0%	2,884	13.6%
Share of profit/(loss) of JVs (Net of tax) (C)	-3	0.0%	-21	-0.1%	-3	0.0%
<b>EBITDA (A)-( B)+(C)</b>	<b>3,025</b>	<b>9.7%</b>	<b>1,372</b>	<b>7.3%</b>	<b>3,122</b>	<b>14.8%</b>
Other Income	264	0.8%	253	1.3%	327	1.5%
Depreciation	538	1.7%	521	2.8%	456	2.2%
Finance Cost	88	0.3%	122	0.6%	114	0.5%
Exceptional items	0	0.0%	0	0.0%	0	0.0%
<b>PBT</b>	<b>2,663</b>	<b>8.5%</b>	<b>982</b>	<b>5.2%</b>	<b>2,880</b>	<b>13.6%</b>
Income Tax	658	2.1%	229	1.2%	664	3.1%
<b>PAT</b>	<b>2,005</b>	<b>6.4%</b>	<b>753</b>	<b>4.0%</b>	<b>2,216</b>	<b>10.5%</b>

Year To Date			
1H FY22	%	1H FY21	%
<b>50,093</b>	<b>100.0%</b>	<b>30,903</b>	<b>100.0%</b>
38,953	77.8%	22,225	71.9%
<b>11,141</b>	<b>22.2%</b>	<b>8,677</b>	<b>28.1%</b>
2,030	4.1%	1,710	5.5%
4,689	9.4%	3,268	10.6%
6,719	13.4%	4,978	16.1%
-24	0.0%	-14	0.0%
<b>4,397</b>	<b>8.8%</b>	<b>3,685</b>	<b>11.9%</b>
517	1.0%	664	2.1%
1,059	2.1%	899	2.9%
210	0.4%	277	0.9%
0	0.0%	97	0.3%
<b>3,645</b>	<b>7.3%</b>	<b>3,271</b>	<b>10.6%</b>
887	1.8%	-120	-0.4%
<b>2,758</b>	<b>5.5%</b>	<b>3,391</b>	<b>11.0%</b>

One off Items (INR mn)	Quarter					
	Q2FY22	%	Q1FY22	%	Q2FY21	%
(-) Income tax refund	-	-	-	-	-	-
(-) Interest on income tax refund (Other income)	-	-	-	-	-	-
(-) Gain on previously held equity interest in Ryker (Exceptional Items)	-	-	-	-	-	-
<b>Adjusted PAT</b>	<b>2,005</b>	<b>6.4%</b>	<b>753</b>	<b>4.0%</b>	<b>2,216</b>	<b>10.5%</b>

1H FY22	%	1H FY21	%
-	0.0%	839	2.7%
-	0.0%	164	0.5%
-	0.0%	97	0.3%
<b>2,758</b>	<b>5.5%</b>	<b>2,291</b>	<b>7.4%</b>

# Consolidated Balance Sheet

Particulars (INR mn)	Sep-21	Jun-21	Sep-20
<b><u>Assets</u></b>			
<b><u>Non-current Assets</u></b>			
Fixed Assets	20,320	20,082	19,275
Non-current Deposits	2,090	580	23
Other Non-current Assets	2,335	2,357	2,197
<b>Total Non-current Assets</b>	<b>24,746</b>	<b>23,019</b>	<b>21,494</b>
<b><u>Current Assets</u></b>			
Inventories	21,559	26,026	20,416
Trade Receivables	10,908	9,292	10,827
Investments	6,619	5,888	5,611
Cash and Bank Balances	2,421	3,996	3,387
Others - Current Assets	3,801	3,334	2,806
<b>Total Current Assets</b>	<b>45,310</b>	<b>48,536</b>	<b>43,046</b>
<b>Total Assets</b>	<b>70,055</b>	<b>71,555</b>	<b>64,540</b>

Particulars (INR mn)	Sep-21	Jun-21	Sep-20
<b><u>Equity and Liabilities</u></b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	1,493	1,492	1,490
Reserves and Surplus	47,397	46,803	40,647
<b>Total Shareholder's Funds</b>	<b>48,889</b>	<b>48,294</b>	<b>42,137</b>
Minority Interest	227	201	160
<b><u>Non-current Liabilities</u></b>			
Borrowings	779	912	1,308
Others - Non-current Liabilities	1,286	1,290	1,344
<b>Total Non-current Liabilities</b>	<b>2,065</b>	<b>2,202</b>	<b>2,653</b>
<b><u>Current Liabilities</u></b>			
Short-term Borrowings	1,579	2,256	826
Trade Payables	13,125	14,578	13,277
Others - Current Liabilities	4,170	4,024	5,487
<b>Total Current Liabilities</b>	<b>18,874</b>	<b>20,858</b>	<b>19,590</b>
<b>Total Equity and Liabilities</b>	<b>70,055</b>	<b>71,555</b>	<b>64,540</b>

# Consolidated Condensed Cash Flow Statement

Particulars (INR mn)	Quarter			Year To Date	
	Q2FY22	Q1FY22	Q2FY21	1H FY22	1H FY21
Net Cash Flow from Operating Activities	3,655	-1,584	4,708	2,071	7,750
Net cash flow from/(used in) investing activities	-1,024	-802	-2,876	-1,826	-6,040
Net cash flow from/(used in) financing activities	-2,409	748	-1,747	-1,661	-1,132
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>222</b>	<b>-1,639</b>	<b>85</b>	<b>-1,416</b>	<b>578</b>

## Other key data points

Particulars (INR mn)	Quarter			Year To Date	
	Q2FY22	Q1FY22	Q2FY21	1H FY22	1H FY21
Advertisement and sales promotion expense	142	78	134	220	166
Capital expenditure	708	800	425	1,508	670
Net Cash Position*	8,773	7,296	6,886	8,773	6,886
Trade acceptances*	7,471	9,149	7,094	7,471	7,094
Goods in Transit*	430	1,972	4,290	430	4,290
Exports contribution (%)	8.1%	6.0%	10.7%	7.3%	10.6%

Notes: (1) \* as at period end (2) Net Cash: Cash & equivalents + Investments + Non-current Deposits - Debt

# Other financial metrics

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

Other Income (INR mn)	Q2FY22	Q1FY22	Q2FY21	1H FY22	1H FY21
Interest income	51	72	52	124	251
Gain/loss on Redemption of investment	56	53	34	109	47
Fair value of financial assets (MTM)	2	0	0	2	0
Exchange differences (net)	131	116	225	246	329
Miscellaneous income	25	12	17	37	36
<b>Total</b>	<b>264</b>	<b>253</b>	<b>327</b>	<b>517</b>	<b>664</b>

\*Interest income includes one-off item explained on slide 10

Finance Cost (INR mn)	Q2FY22	Q1FY22	Q2FY21	1H FY22	1H FY21
Interest on Bank Borrowings	24	25	29	49	50
Interest on LC, VBD and Leases	20	34	40	54	125
Other borrowing costs	31	62	53	92	76
Foreign Exchange Gain/loss	13	1	-8	14	25
<b>Total</b>	<b>88</b>	<b>122</b>	<b>114</b>	<b>210</b>	<b>277</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.



# Multi pronged marketing approach to improve consumer connect

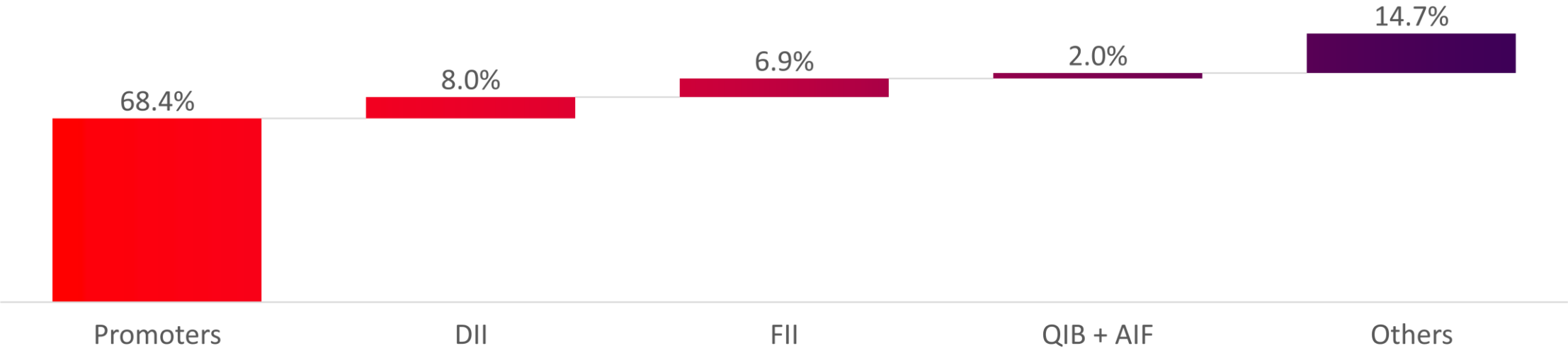


## CHANDIGARH & MADURAI





# Shareholding Pattern

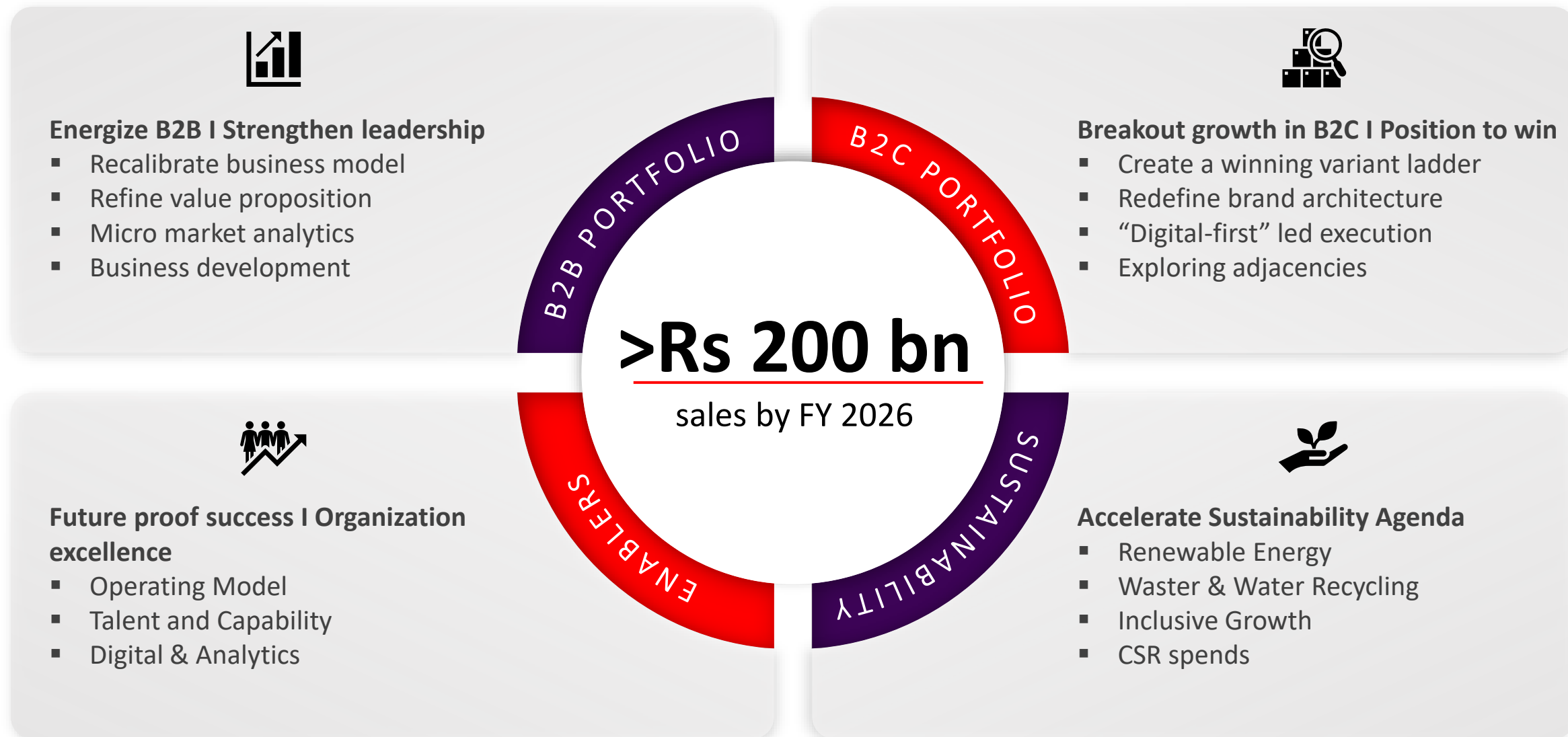


*Note: As on 30th September 2021. DII (Domestic Institutional Investors) includes "Mutual Funds". FII (Foreign Institutional Investors) includes "Foreign Portfolio - Corp" and "Foreign Corporate Bodies". QIB/ AIF stands for "Qualified Institutional Buyer"/ "Alternative Investment Fund"*



# Project Leap

A multi year transformation journey



# Project Leap

We have commenced our journey in this multi-year transformation project

## Organization Structure

- Re-aligning organization structure towards long term goals
- Senior level talent acquisitions across business and functions

## Go To Market

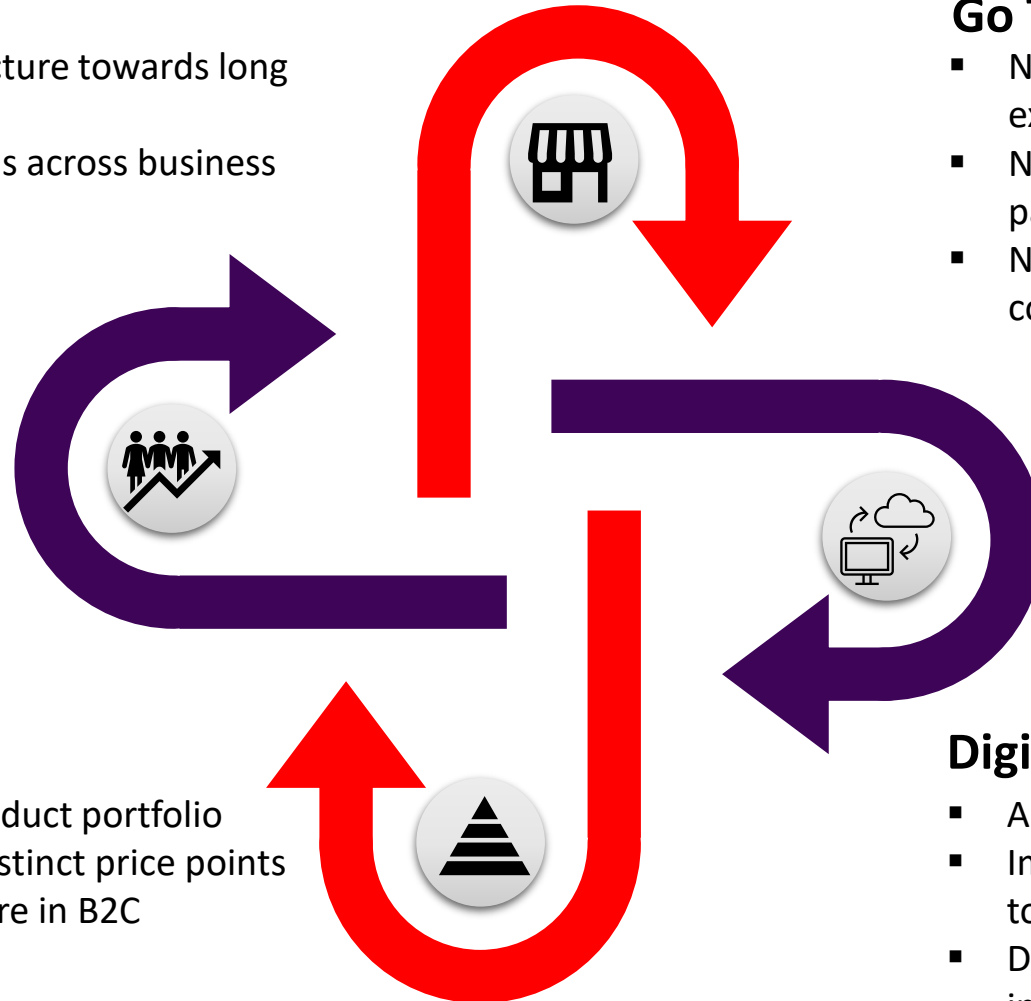
- Nationwide reach analysis and distribution expansion
- New process framework to identify right partnerships and optimise ROI
- New function verticals to increase end user connect

## Portfolio Optimisation

- Identified white spaces in product portfolio
- Launching new products at distinct price points
- Augmenting brand architecture in B2C

## Digitalisation

- Augmenting the CRM architecture
- Improving data capturing process in B2B business to enable deeper analytics
- Delayering IT infrastructure for seamless integration for primary and secondary sales



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

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)

