



POLYCAB

IDEAS. CONNECTED.

Q4 FY24 Presentation

10 May 2024

The background of the slide features a blue-toned image of several stacks of silver coins on a wooden surface. Overlaid on this are various financial charts, including a candlestick chart and several line graphs with markers, suggesting market analysis and performance trends.

Q4 FY24

Financial Performance

Key Highlights

Top-line (Revenue)

Q4 FY24: 55,919 Mn

⌘ 29% YoY

⌘ 29% QoQ

FY24: 1,80,394 Mn

⌘ 28% YoY



Operating (EBITDA)

Q4 FY24: 7,615 Mn

⌘ 26% YoY

⌘ 34% QoQ

FY24: 24,918 Mn

⌘ 35% YoY



Profitability (PAT)

Q4 FY24: 5,535 Mn

⌘ 29% YoY

⌘ 33% QoQ

FY24: 18,029 Mn

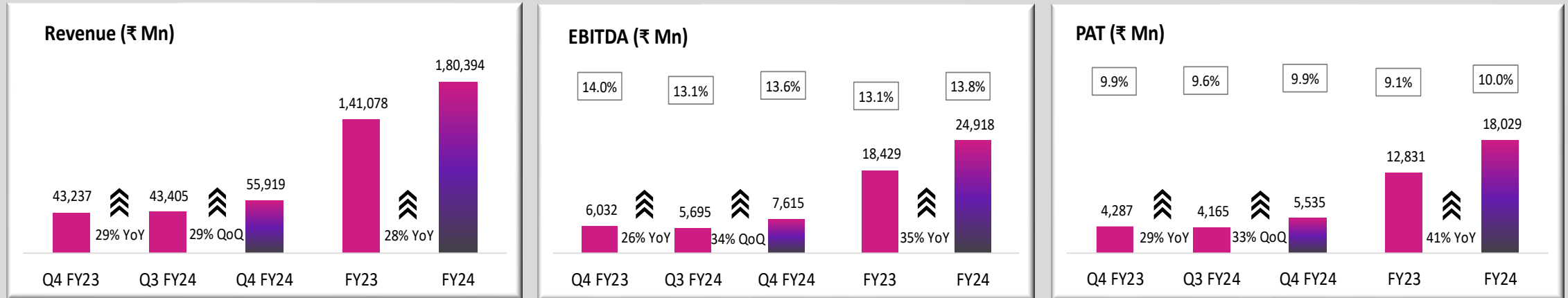
⌘ 41% YoY



Mobile App



FY24: Surpassed ₹ 180 Bn in Revenues; Highest Ever PAT



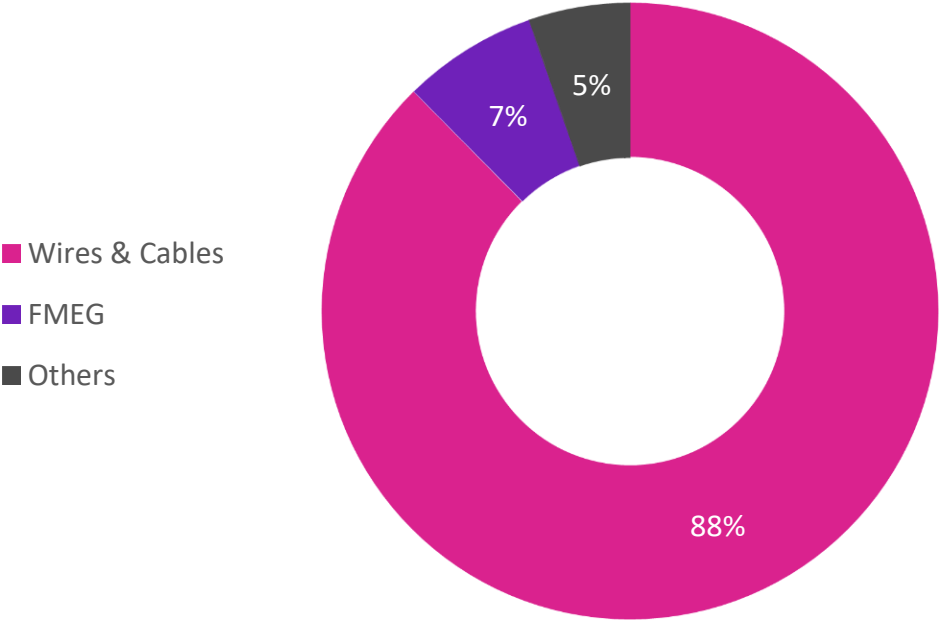
- Robust demand led strong volume growth in wires & cables business helped revenues register a growth of 28% YoY in FY24 and 29% YoY in Q4FY24. The Company surpassed the milestone of ₹ 180 Bn revenues during the year, with quarterly revenue surpassing the mark of ₹ 50 Bn for the first-time ever
- For FY24, EBITDA margin improved by ~70 bps YoY to 13.8%. Improved gross margins via strategic pricing revisions as well as change in product-mix contributed to margin improvement. For Q4FY24, EBITDA margin settled at 13.6%, a ~50 bps improvement sequentially, on account of better operating leverage and lower A&P spends
- PAT for FY24 grew strongly by 41% YoY, to stand at ₹ 18,029 Mn, making Polycab the most profitable Company in the consumer electrical industry. PAT margin during FY24 improved by ~90 bps YoY to 10.0%. For Q4FY24, Company registered the highest ever quarterly PAT of ₹ 5,535 Mn, a growth of 29% YoY, with PAT margin at 9.9%

Key Highlights for FY24

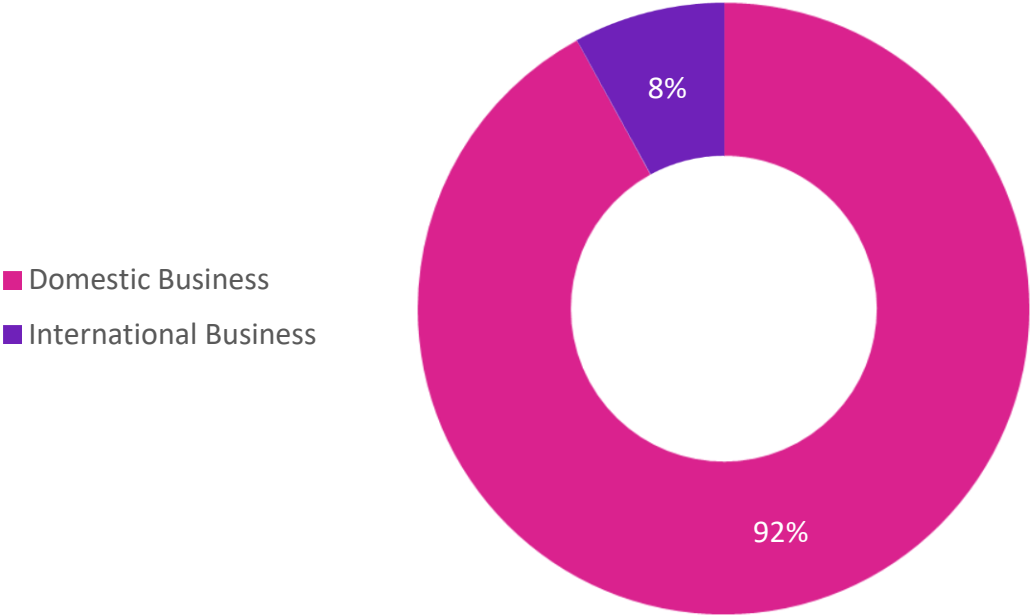
FY23		FY24	
22-24%	 2%-3%	25-26%	Market Share Significant market share gains in domestic organized C&W industry via strategic internal initiatives
13.1%	 70 Bps	13.8%	EBITDA Margin Profitability enhanced through improvement in gross margins
₹ 4.6 Bn	 87%	₹ 8.6 Bn	Capex Cash flows reinvested in business to capture the robust demand opportunity
₹ 20 per share	 50%	₹ 30 per share	Dividend Dividend payout ratio increased to 25.5%

Business Mix

Product Mix

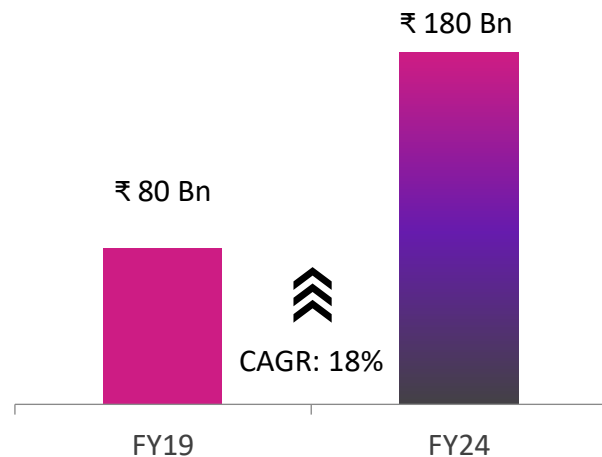


Mode of Sales



Growth Story Since Listing

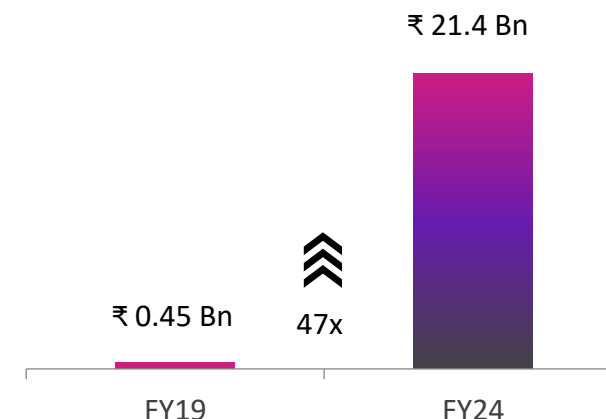
Revenue



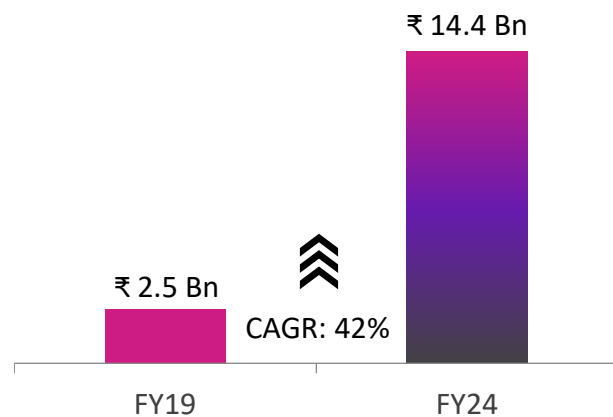
EBITDA Margin



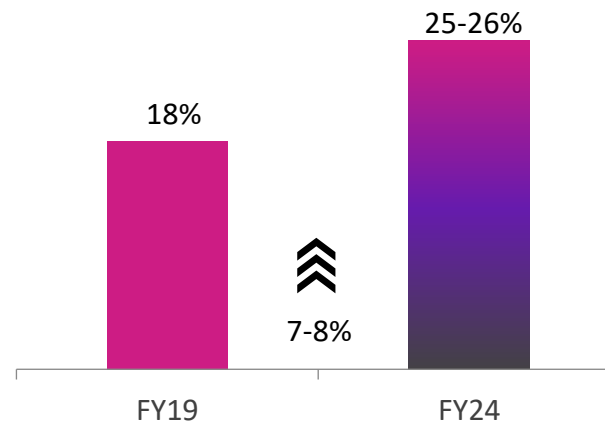
Net Cash



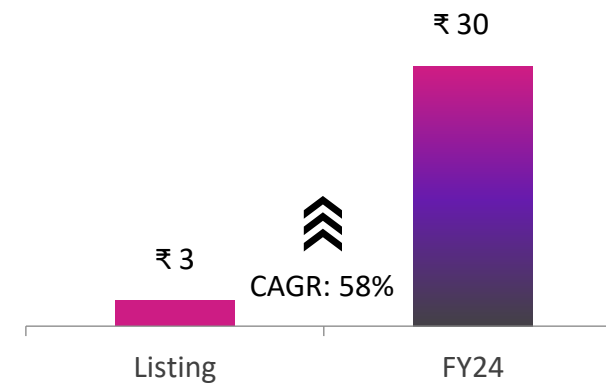
International Business



Market Share (Domestic Organized W&C)



Dividend



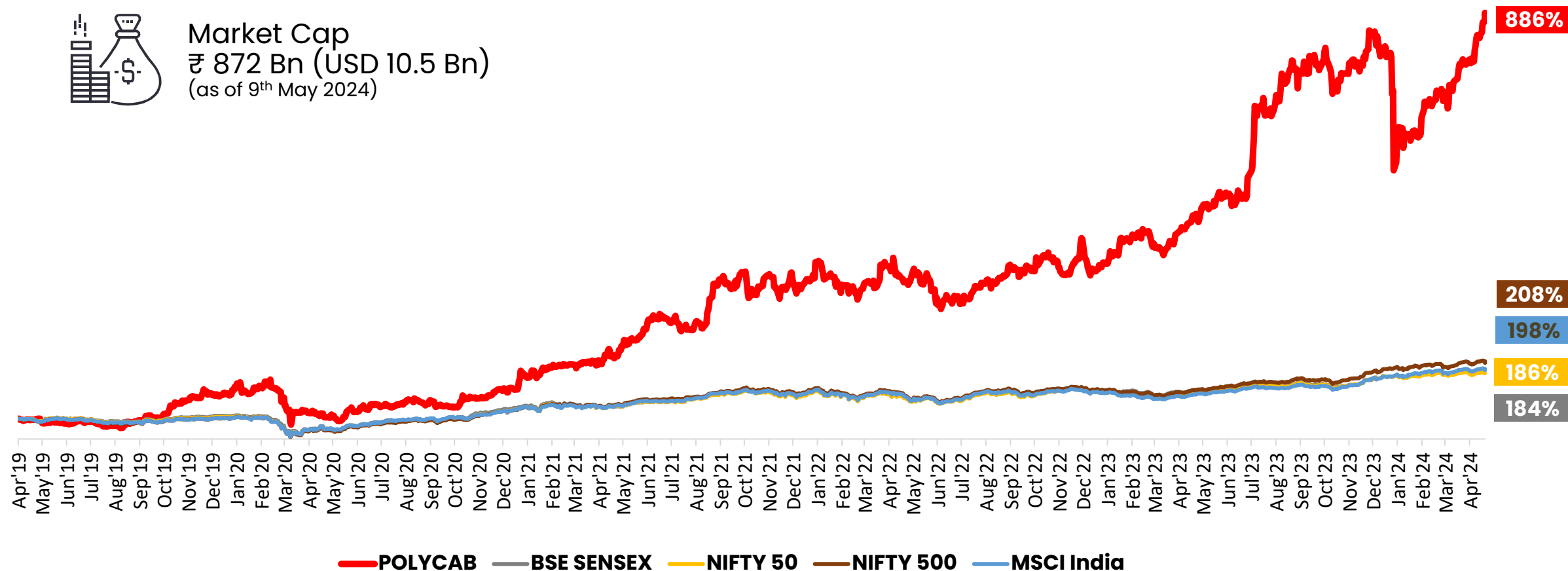
Shareholder Returns Since Listing 5 Years Back

Market Capitalization increased at a CAGR of **63%**

₹ 8,000+ Mn of dividend distributed to shareholders*



Market Cap
₹ 872 Bn (USD 10.5 Bn)
(as of 9th May 2024)



Market Cap in USD calculated using USD ₹ spot rate of 83

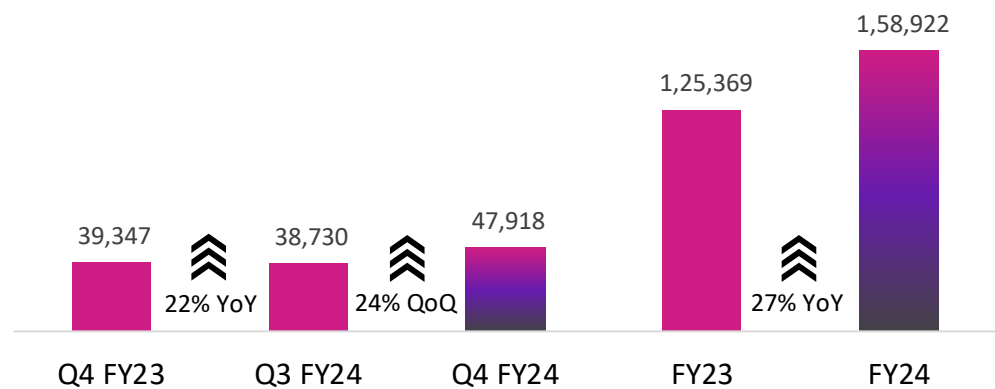
*excluding ₹ 30 per share dividend proposed for FY24



Wires & Cables

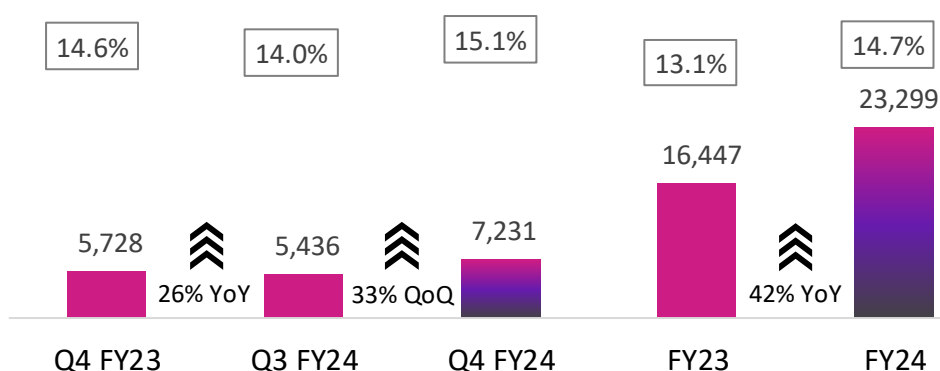
Strong Quarter Caps Off a Year of Outperformance

Revenue (₹ Mn)



EBIT (₹ Mn)

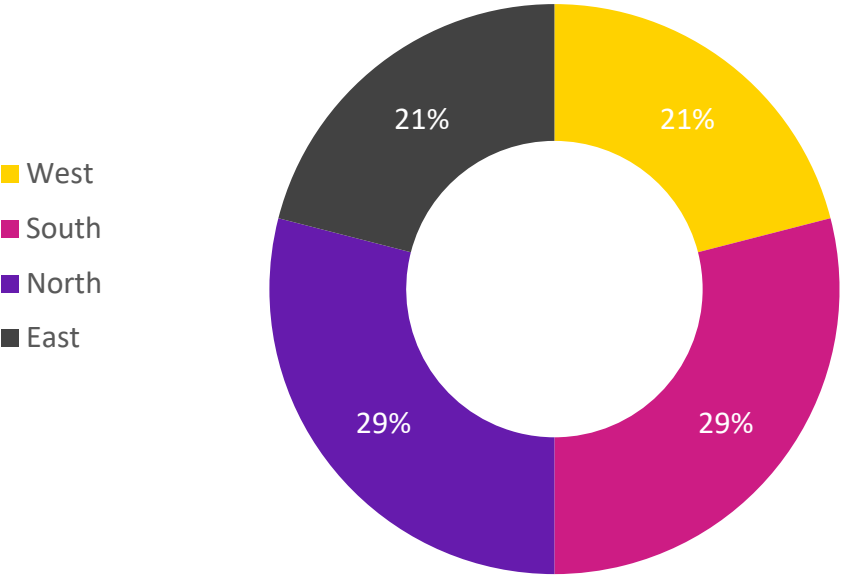
Margin



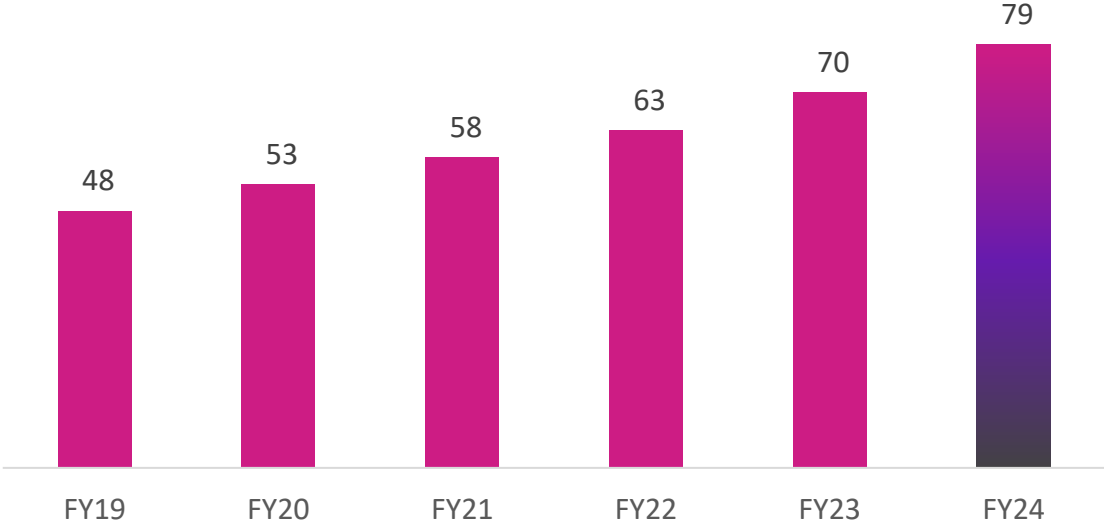
- Wires & Cables revenue for FY24 and Q4FY24 grew by 27% YoY and 22% YoY respectively. Strong volume growth in domestic business, supported by government & private capex and uptick in real estate, as well as strategic internal initiatives helped the Company gain significant market share during the year
- Domestically, the distribution business continued with its robust growth momentum, while the institutional business registered accelerated traction, albeit on a lower base
- Revenue from international business bounced back during the quarter with a 60% sequential growth, after registering a decline in the previous quarter. Contribution from the international business to the consolidated revenue stood at 7.7% and 8.0% for the quarter and the year respectively. The Company expanded its global footprint to 79 countries
- Sequential improvement in margins of ~110 bps in Q4FY24 was on account of better operating leverage and lower A&P spends

Geographic Reach: Domestic & International

Domestic Zone-Wise Distributors Split



International Business Spread



Powering India's Development



Navi Mumbai Airport



NH66 Highway



Jawahar Tunnel, J&K



Infrastructure

- Power Plant (Lakwa Thermal Power Project)
- Railway (NHSRCL – Bullet train)
- Airport (Navi Mumbai Airport)
- Road and Highway (NH66 Six lane Highway)



Commercial & Urban Development

- Mall (Lulu Mall, Calicut)
- Administrative Area (Central Vista CCS)
- Commercial Building (Surat Diamond Bourse)
- Public Works Department (Lucknow Smart City Project)



Specialized Projects

- Defence (Battery Charging Unit, Sikkim)
- Mining (Seabird Karwar, Karnataka)
- Navy (CIAL – Cargo Terminal)
- Tunnel (Jawahar Tunnel, J&K)
- Temple (Ayodhya Ram Mandir)



Shri Ram Mandir

Building Nation



Energy and Power

- Power Distribution (HVPNL Project)
- Solar Project (221 MW Solar Project)



Education & Research

- Educational Institute (NIT Patna)
- Medical Research (Cochin Cancer Research Centre)
- Sports Facility (National Cricket Academy)
- School (Trinity School, Bihar)



Utility

- Port (BMCTPL)
- Irrigation Project (Amravati Project)
- Water Treatment Project (Water Treatment Project Pilibhit, UP)
- Data Centre (CNTRLS Data centre)



Kolkata Underwater Metro



Cochin Cancer Research Centre



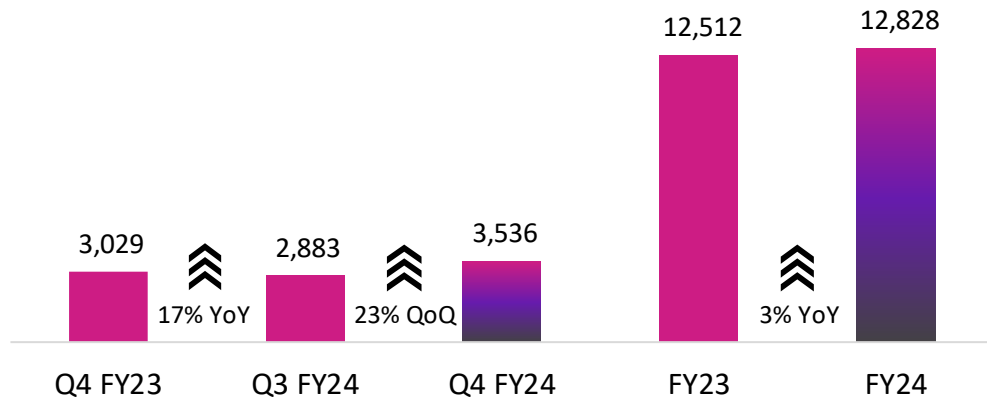
Surat International Airport

FMEG



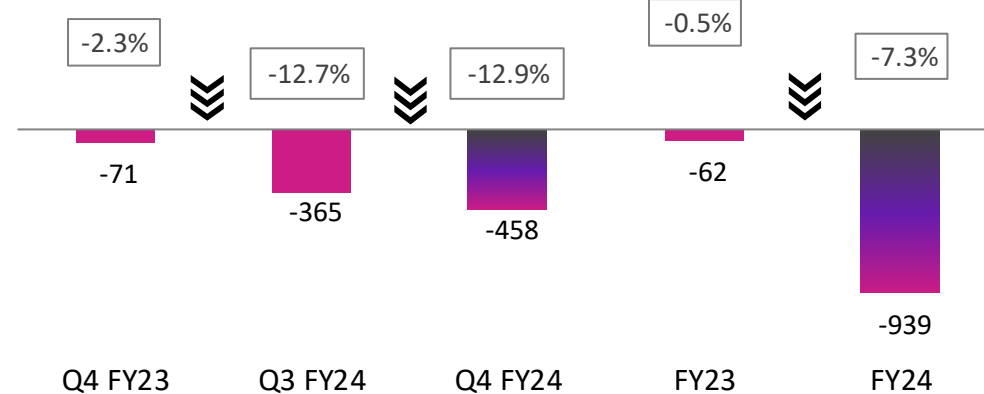
Decent Growth in a Seasonally Strong Quarter

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin



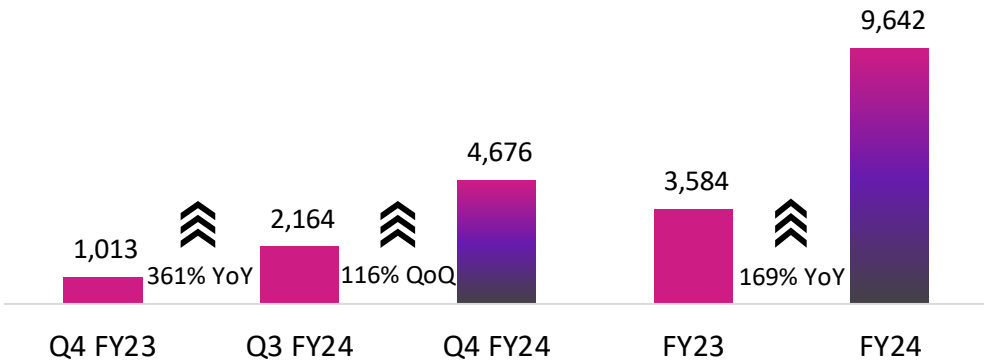
- FMEG business exhibited a growth of 17% YoY in Q4FY24, on account of a lower base amid a seasonally strong demand for fans, which registered an impressive growth. The quarter was reasonably good for the new range of BLDC and premium fans, which have received good response from the market
- The Switches & Switchgears segments continued their strong growth momentum during the quarter, while the Lights segment registered sequential growth
- One-time impact from impairment of investment in joint-venture Techno Electromech and provisioning on aged inventory, coupled with the lack of economies of scale resulted in accelerated decline in the bottom-line
- Progress on improving execution of the strategic roadmap is proceeding smoothly



Others

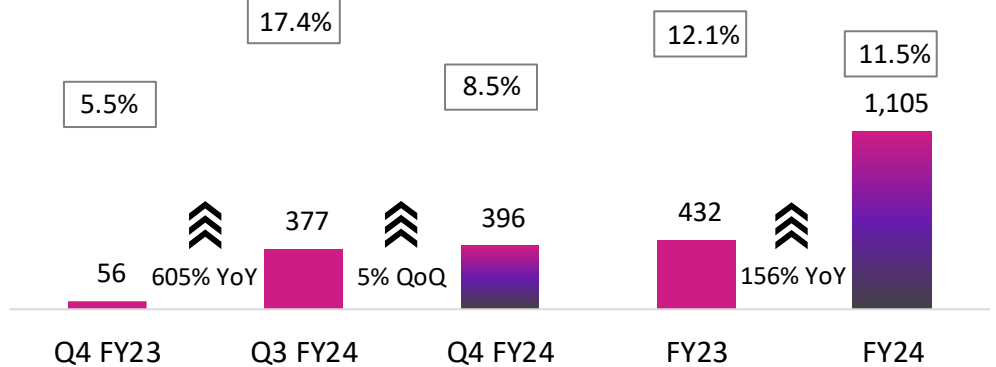
Other Segments

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin



- Other segment largely comprises of our EPC business
- Total income for FY24 at ₹ 9,642 Mn grew by 169% YoY. Quarterly revenue was up by 361% YoY and 116% QoQ
- Segmental EBIT during FY24 and Q4FY24 grew by 156% YoY and 605% YoY respectively. EBIT margin for FY24 stood at 11.5%
- Annual sustainable operating margin in this business is expected to be in high single digit over mid-to-long term

The background features a blurred image of a person in a dark suit and tie, pointing their right index finger upwards. A white line graph with three data points is overlaid on the image, showing an upward trend. The data points are labeled with the years 2021, 2024, and 2026. The 2026 point is highlighted with a bright yellow light. Below the line graph, there are several large, semi-transparent upward-pointing arrows of varying heights. On the left side, there is a large white circle with a thick purple border containing the text 'Project LEAP'.

Project LEAP

2021

2024

2026

Project LEAP: Progressing Well Towards Achieving FY26 Goals

Customer Centricity



- Enhanced Key Account Management (KAM), selling complete portfolio to key builder accounts
- Built a strong team and a digital-first platform/ solution to provide better support to influencers
- Increased visits per day per TSI through the Digitized Visit Planner on CRM
- Built a pricing engine using AI/ ML to increase win rates and reduce human error while generating prices

Go-To-Market Excellence



- Completed Brand Identity Refresh and unveiled the new brand identity "Ideas. Connected."
- Intensified Brand Building efforts by increasing advertising and promotions
- Shifted focus to driving secondary sales
- Focused initiatives to increase sales in untapped markets

Winning with New Products



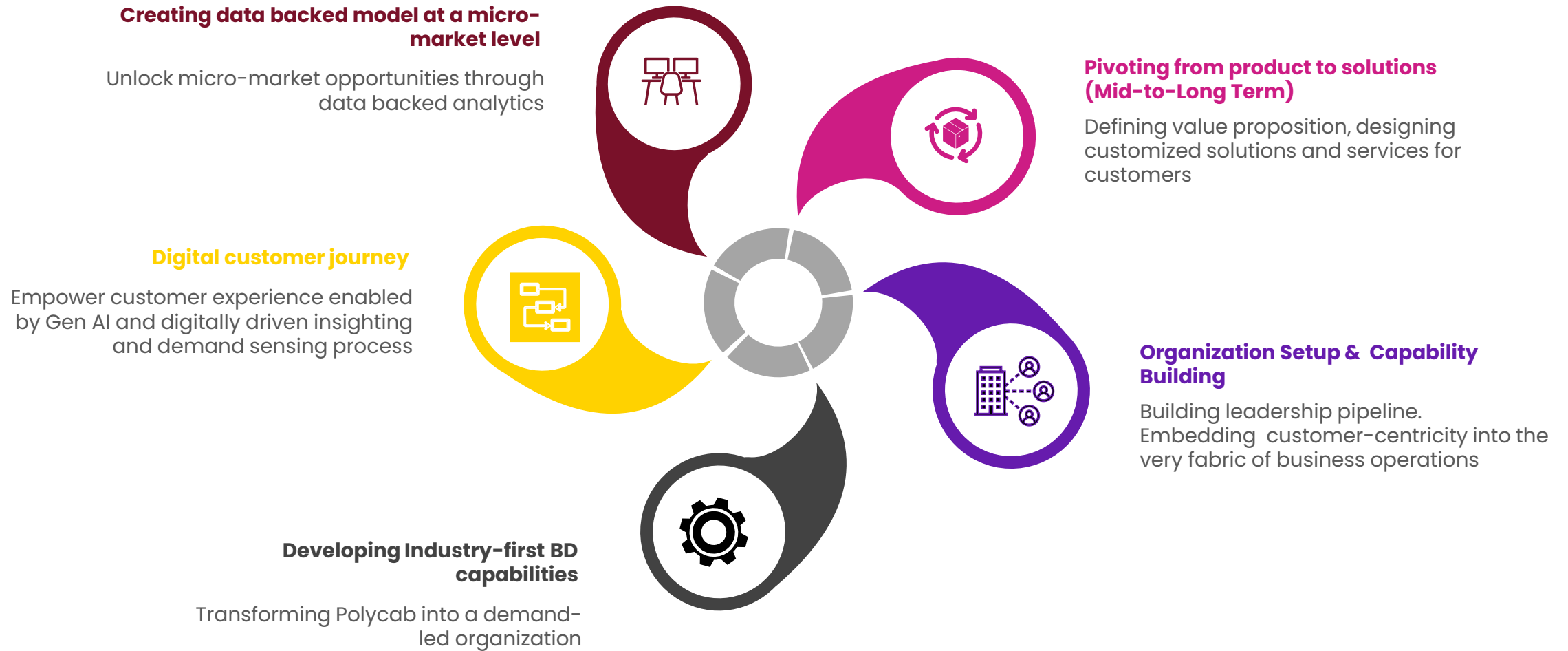
- Product led growth through full brand portfolio straddling across multiple price tiers in wires
- Introduced new SKUs post BEE transition, with special focus on premium and BLDC product range
- Successful nationwide launch of Etira Switches during the year
- Launched new 6kA category MCBs

Setup of Organization Enablers



- Vertical Specialization: Created separate verticals across all product portfolios in B2C for strategic focus
- Launched new loyalty app for electricians and retailers
- Revamped B2B CRM: Reduced enquiry time by 80%
- Streamlined back-office support: Achieved a reduction in response time by two-thirds, leading to minimized losses due to delayed responses

Project LEAP: Key Themes & Priorities for the Coming Years



Awards & Recognition

Manufacturing Excellence Awards by IMEXI

Manufacturing Excellence



Smart Factory



Safe Factory



Environmental Excellence



Excellence In Renewable Energy



ET Entrepreneur Awards 2024



IDC Future Enterprise Awards



Best Structured Cabling Brand



Make in India – Comprehensive Passive Networking Brand



ASRA-2023 for Asia's Best Integrated Report



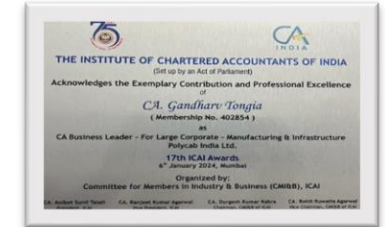
Customer Service Excellence Award



CMD Honored by the Bombay Metal Exchange



CA Business Leader Award by ICAI presented to CFO



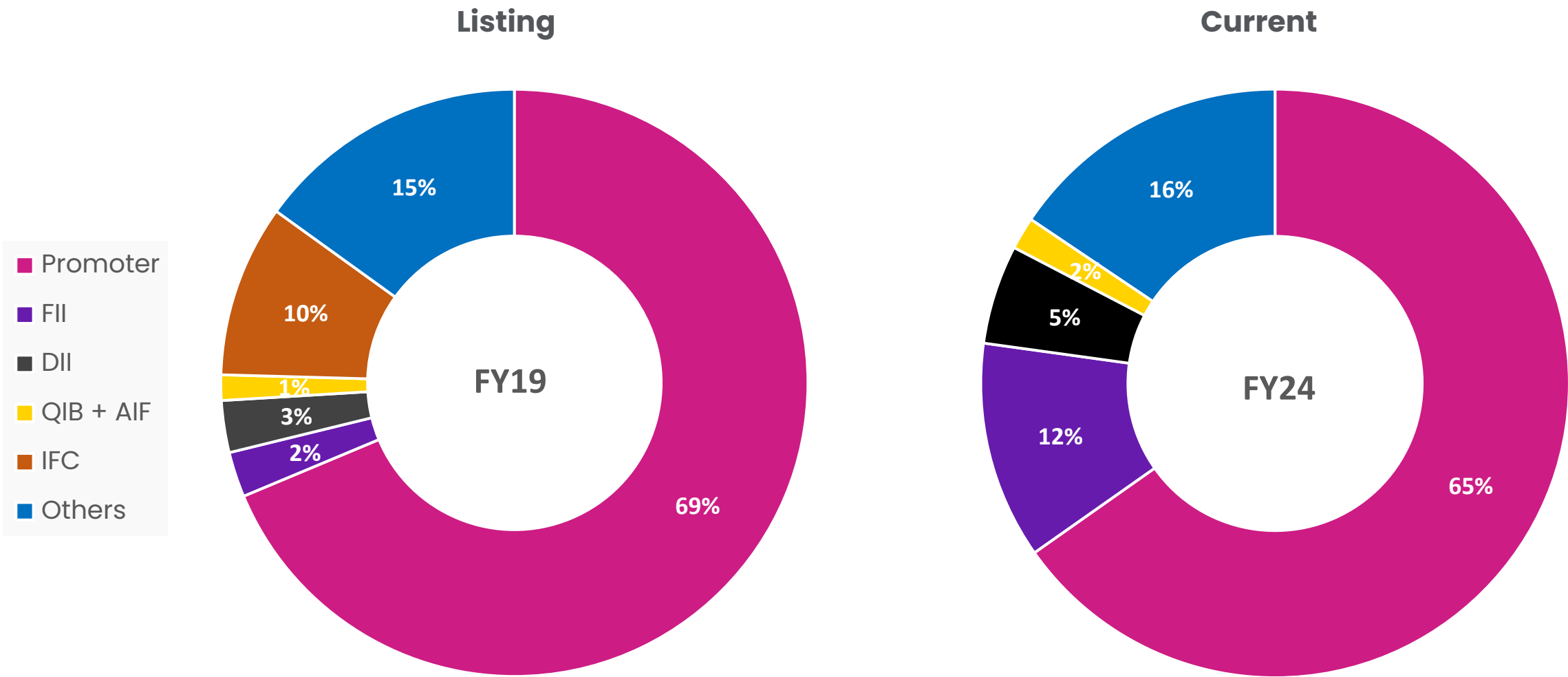
D&B Finance Elite 2023 to CFO



The background of the slide features a person in a dark suit and tie, holding a smartphone. The image is overlaid with various financial graphics, including a white candlestick chart on the left, a white line graph at the bottom, and numerous colorful bokeh lights in shades of orange, yellow, and red. A large purple circle with a white center is positioned on the left side of the slide.

Shareholding Pattern

Shareholding Pattern



Note: As on 31st March 2024. 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". IFC: International Finance Corporation

The background of the slide features a collage of financial-themed elements. In the foreground, there are several coins, some stacked and others scattered. Behind them, a semi-transparent financial candlestick chart is visible, showing price movements with green and red bars. A bright, glowing light source is positioned behind the chart, creating a lens flare effect. The overall color palette is warm, with shades of brown, gold, and purple.

Financial Statements

Consolidated Profit and Loss Statement

Particulars (₹ Mn)	Quarter						Year To Date			
	Q4 FY24	%	Q3 FY24	%	Q4 FY23	%	FY24	%	FY23	%
Revenue from Operations	55,919	100.0%	43,405	100.0%	43,237	100.0%	1,80,394	100.0%	1,41,078	100.0%
Cost of Goods sold	41,792	74.7%	31,692	73.0%	32,357	74.8%	1,32,803	73.6%	1,05,109	74.5%
Contribution (A)	14,127	25.3%	11,713	27.0%	10,880	25.2%	47,591	26.4%	35,969	25.5%
Employee Cost	1,696	3.0%	1,494	3.4%	1,187	2.7%	6,095	3.4%	4,568	3.2%
Other Operating Expenses	4,816	8.6%	4,524	10.4%	3,598	8.3%	16,578	9.2%	12,880	9.1%
Total Operating Expenses (B)	6,512	11.6%	6,018	13.9%	4,784	11.1%	22,673	12.6%	17,448	12.4%
Share of profit/ (loss) of JVs (Net of tax) (C)	-	0.0%	-	0.0%	-64	-0.15%	-	0.0%	-93	-0.1%
EBITDA (A)-(B)+(C)	7,615	13.6%	5,695	13.1%	6,032	14.0%	24,918	13.8%	18,429	13.1%
Other Income	538	1.0%	710	1.6%	515	1.2%	2,209	1.2%	1,333	0.9%
Depreciation	657	1.2%	619	1.4%	535	1.2%	2,450	1.4%	2,092	1.5%
Finance Cost	244	0.4%	322	0.7%	282	0.7%	1,083	0.6%	598	0.4%
PBT	7,253	13.0%	5,464	12.6%	5,731	13.3%	23,593	13.1%	17,073	12.1%
Income Tax	1,718	3.1%	1,299	3.0%	1,444	3.3%	5,564	3.1%	4,242	3.0%
PAT	5,535	9.9%	4,165	9.6%	4,287	9.9%	18,029	10.0%	12,831	9.1%

Consolidated Balance Sheet

Particulars (₹ Mn)	Mar-24	Dec-23	Mar-23
<u>Assets</u>			
<u>Non-current Assets</u>			
Fixed Assets	29,160	26,656	23,177
Non-current Deposits	58	91	6
Other Non-current Assets	4,431	4,643	1,984
Total Non-current Assets	33,649	31,390	25,167
<u>Current Assets</u>			
Inventories	36,751	37,688	29,514
Trade Receivables	20,471	14,978	12,466
Investments	18,224	14,095	13,505
Cash and Bank Balances	4,024	5,116	6,952
Others - Current Assets	7,670	5,502	6,650
Total Current Assets	87,140	77,378	69,087
Total Assets	1,20,789	1,08,769	94,255

Particulars (₹ Mn)	Mar-24	Dec-23	Mar-23
<u>Equity and Liabilities</u>			
<u>Shareholder's Funds</u>			
Share Capital	1,502	1,502	1,498
Reserves and Surplus	80,369	74,720	64,874
Total Shareholder's Funds	81,871	76,222	66,372
Minority Interest	562	487	374
<u>Non-current Liabilities</u>			
Borrowings	226	156	42
Others - Non-current Liabilities	2,350	2,282	1,262
Total Non-current Liabilities	2,576	2,438	1,304
<u>Current Liabilities</u>			
Short-term Borrowings	672	776	688
Acceptances	18,620	12,776	12,258
Trade Payables	10,014	10,406	8,069
Others - Current Liabilities	6,474	5,664	5,190
Total Current Liabilities	35,779	29,622	26,205
Total Equity and Liabilities	1,20,789	1,08,769	94,255

Consolidated Cash Flow Statement

Particulars (₹ Mn)	Quarter			Year To Date	
	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23
Net Cash Flow from Operating Activities	5,085	4,948	1,199	12,962	14,275
Net cash flow from/ (used in) investing activities	-4,549	-4,593	-946	-7,519	-12,026
Net cash flow from/ (used in) financing activities	-308	-62	-81	-3,874	-2,271
Net Increase / (Decrease) in cash and cash equivalents	228	293	172	1,570	-22

Other Key Data Points

Particulars (₹ Mn)	Quarter			Year To Date	
	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23
Advertisement and Sales Promotion Expense	377	904	245	1,989	1,244
Capex Spends	2,216	2,804	1,132	8,580	4,584
Net Cash Position*	21,408	18,370	18,912	21,408	18,912
Goods in Transit*	1,140	1,851	1,063	1,140	1,063
Exports Revenue	4,290	2,685	5,392	14,360	13,835
Exports Contribution (%)	7.7%	6.2%	12.5%	8.0%	9.8%

* as at period end

Other Financial Metrics

Working Capital Days	Average			Closing		
	FY24	FY23	FY22	FY24	FY23	FY22
Receivable Days	33	33	41	41	32	39
Inventory Days	91	89	81	101	102	85
Payable Days*	81	71	67	94	85	63
Net Working Capital	44	51	54	48	50	61

* Including Acceptances

Other Income (₹ Mn)	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23
Interest Income	57	87	97	331	295
Gain/ Loss on Redemption of Investment	270	251	265	880	651
Fair Value of Financial Assets (MTM)	-	-	-43	-	30
Exchange Differences (net)	153	320	184	778	184
Miscellaneous Income	58	52	11	219	173
Total	538	710	515	2,209	1,333

Finance Cost (₹ Mn)	Q4 FY24	Q3 FY24	Q4 FY23	FY24	FY23
Interest on Bank Borrowings	10	16	19	73	36
Interest on LC, VBD and Leases	203	253	221	842	405
Other Borrowing Costs	32	54	41	169	156
Total	244	322	282	1,083	598

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.

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.

THANK YOU

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Financial Results



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