



POLYCAB

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Q3 FY25 Presentation

22 January 2025

The background features a blue-toned image of several stacks of silver coins on a wooden surface. Overlaid on this are various financial charts, including a line graph with white circular markers and a candlestick chart. A bright light source in the upper right creates a lens flare effect. A large white circle with a purple border is positioned on the left side of the image.

Q3 FY25

Financial Performance

Key Highlights

Top-line (Revenue)

Q3 FY25: 52,261 Mn

⌄ 20% YoY

⌄ -5% QoQ

9M FY25: 1,54,225 Mn

⌄ 24% YoY



Operating (EBITDA)

Q3 FY25: 7,199 Mn

⌄ 26% YoY

⌄ 14% QoQ

9M FY25: 19,349 Mn

⌄ 12% YoY



Profitability (PAT)

Q3 FY25: 4,643 Mn

⌄ 11% YoY

⌄ 4% QoQ

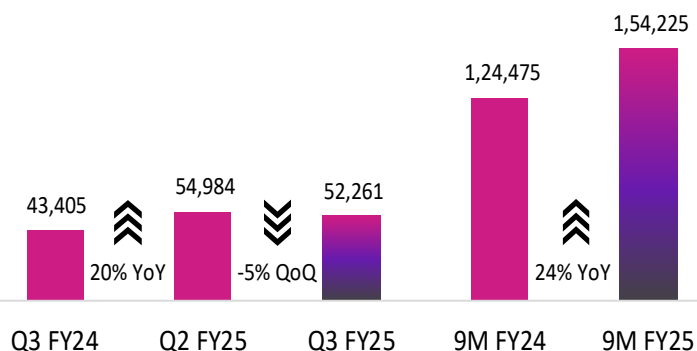
9M FY25: 13,112 Mn

⌄ 5% YoY

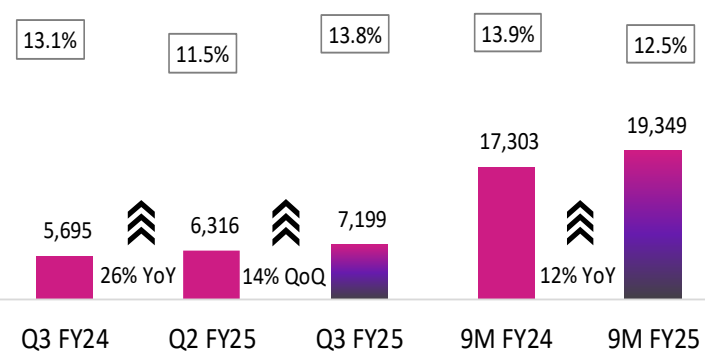


Highest ever 9M Revenue and PAT

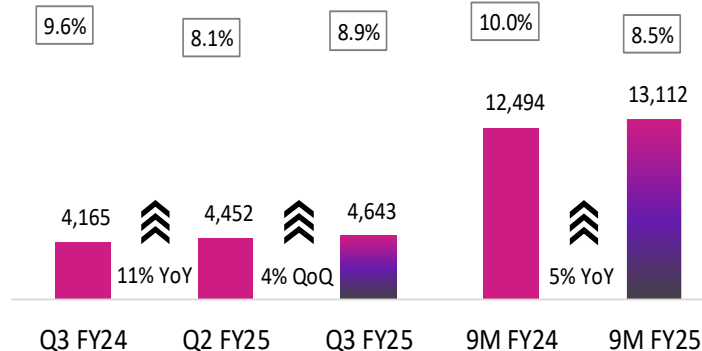
Revenue (₹ Mn)




EBITDA (₹ Mn) Margin



PAT (₹ Mn) Margin

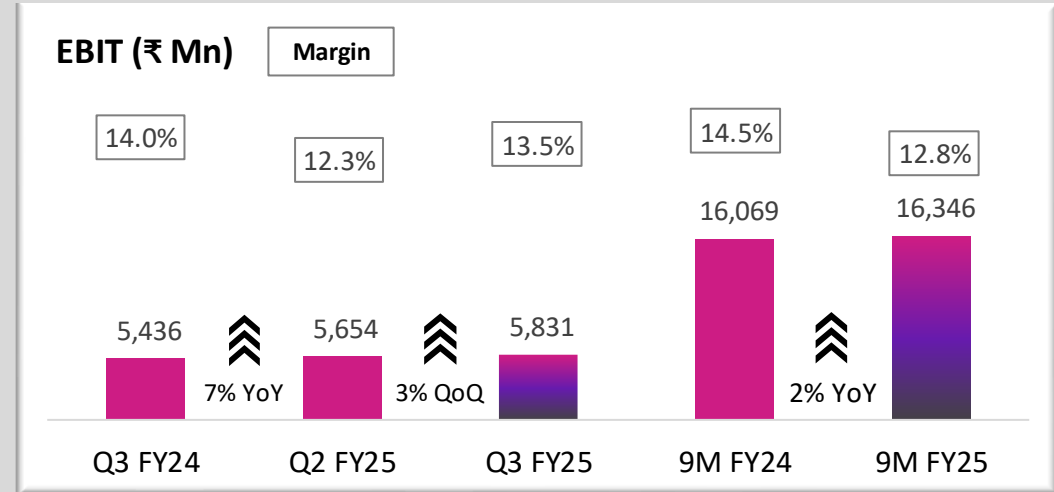
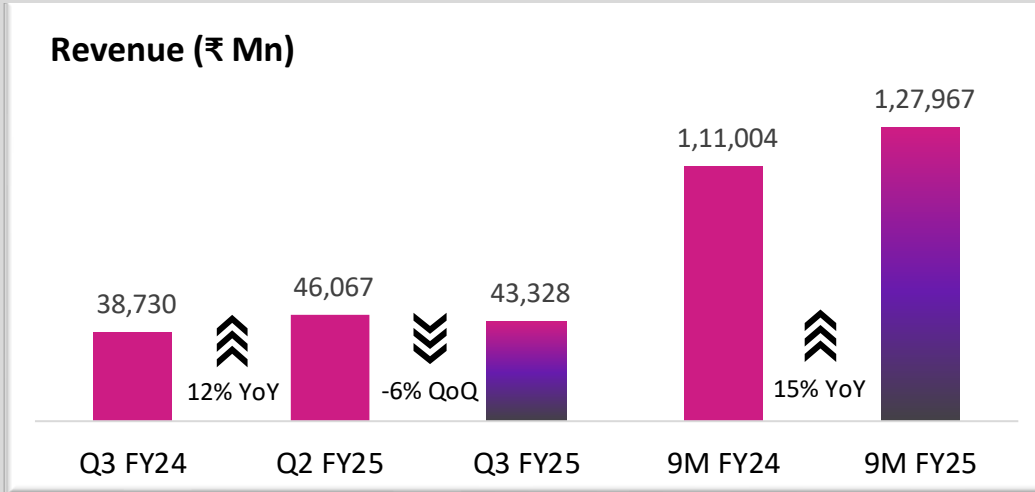


- Robust performance across businesses helped the Company register its highest ever third quarterly revenue. 9M revenue surpassed the milestone of ₹ 150 Bn for the first time ever
- EBITDA margins improved ~70 bps YoY and ~230 bps QoQ to 13.8% on the back of normalization in W&C margins and lower losses in the FMEG business partly offset by moderation in EPC business margins
- PAT for the quarter registered a growth of 11% YoY in spite of compression in PAT margins. On a sequential basis, PAT margin expanded by ~80 bps



Wires & Cables

Slowdown in Wires Business Moderates Segment Growth; Margins Improve

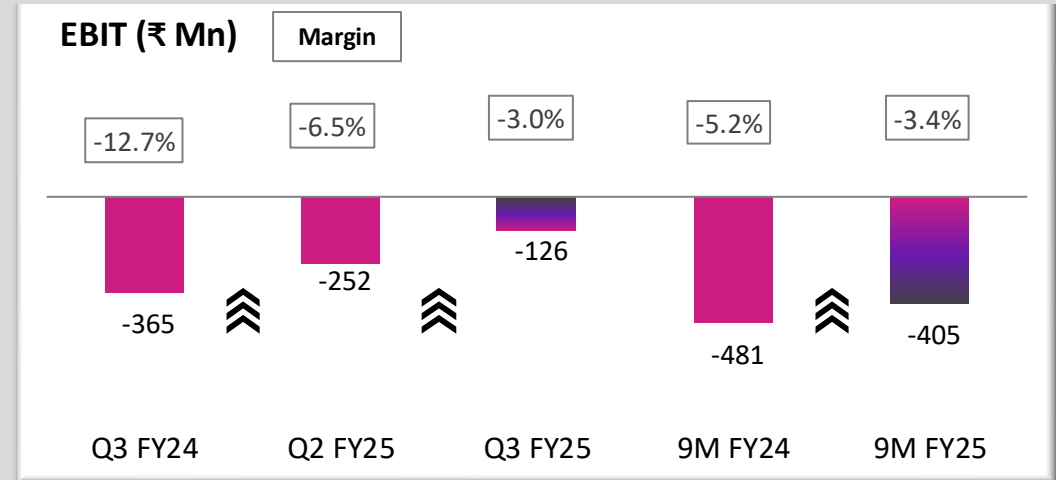
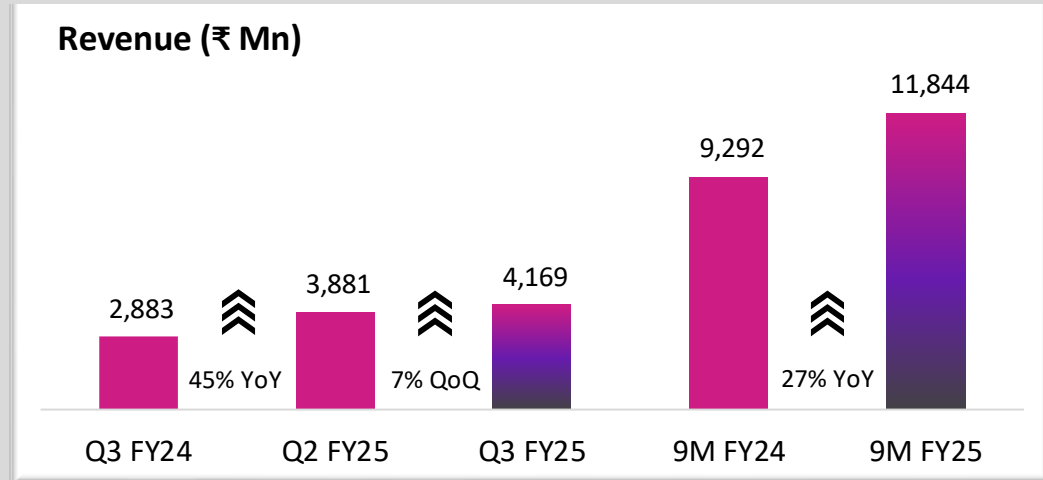


- Demand for cables remained healthy during the quarter. However, downward trend in copper prices combined with high channel inventory of wires at the beginning of the quarter led to slowdown in wires business. Pick-up in government spending and project execution pace, continued momentum in real estate and trend in commodity price movement will be key monitorable for near-to-mid term demand
- The international business registered a growth of 62% YoY and 29% QoQ. Contribution from the international business to the consolidated revenue stood at 8.3% for the quarter and 6.6% for 9M FY25. Robust order book to sustain momentum in Q4 FY25
- Margins rose by ~120 bps QoQ to stand at 13.5%. Normalization of margins in the wires business and increase in contribution from the international business drove margin improvement

FMEG



Highest Ever Quarterly Revenue



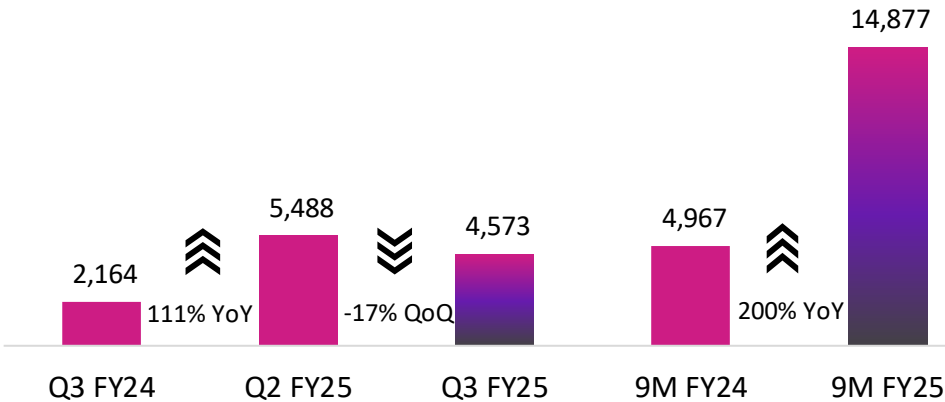
- FMEG business registered a growth of 45% YoY during the quarter, albeit on a lower base. Robust execution of the strategic roadmap translating into continued revenue expansion
- The quarter witnessed robust growth across all major product categories. Fans continued its growth trajectory as premiumization strategy continue to yield success. After many quarters of de-growth, in spite of continued pricing erosion, the lights and luminaires segment registered strong volume and value growth, on the back of festive demand as well as execution of various strategic initiatives. Switchgears, conduit pipes & fittings and switches too delivered healthy growth driven by sustained demand from real estate
- Gross margin expansion as well as improvement in operating leverage helped in curtailing losses for the quarter



Others

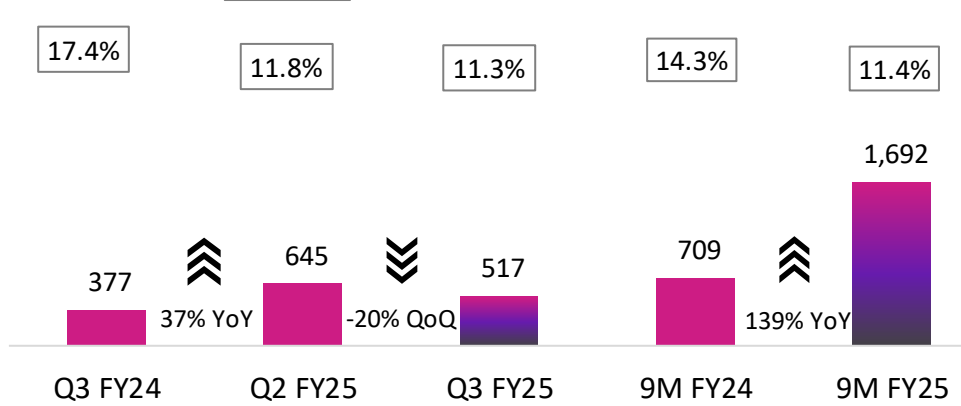
Other Segments

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin

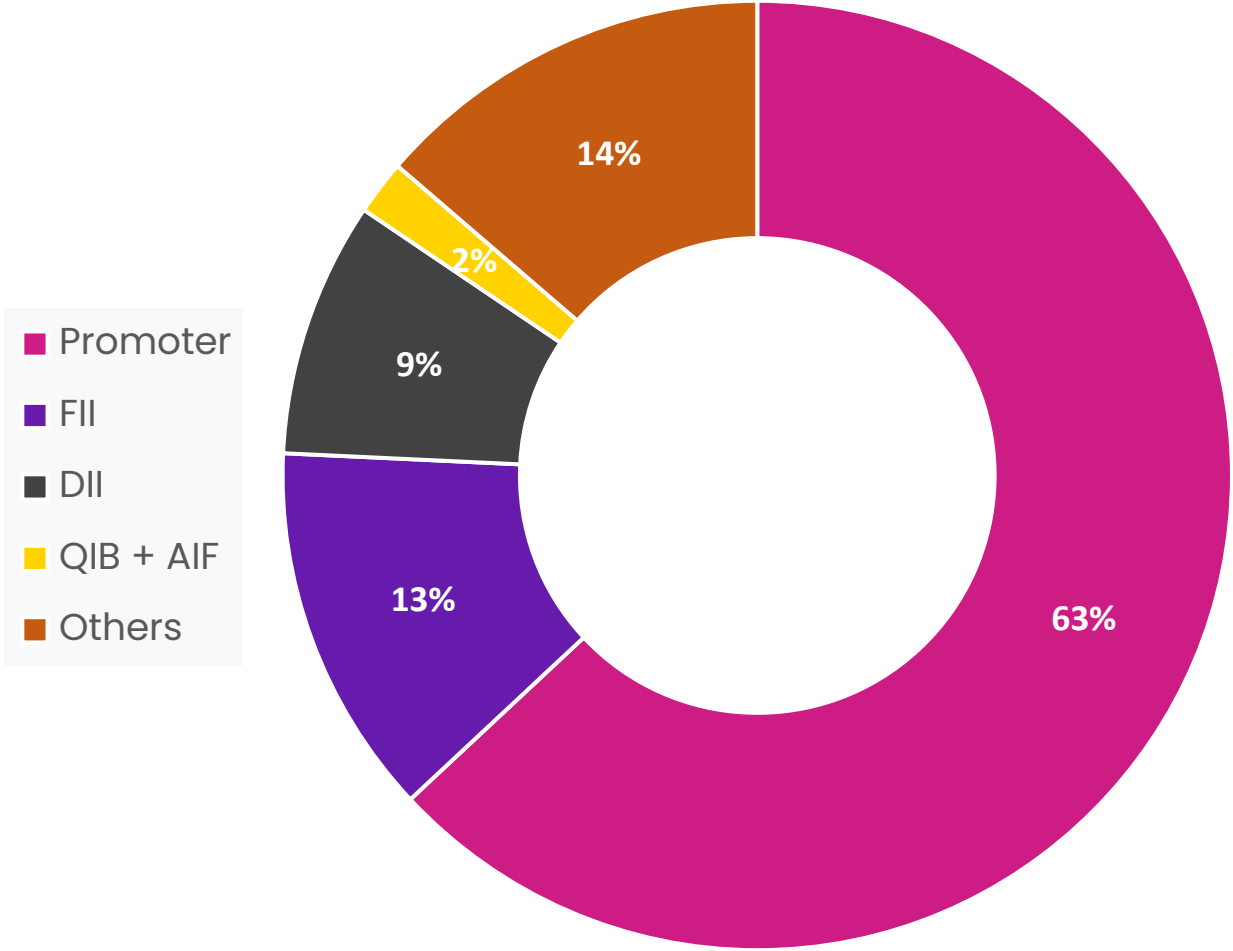


- Other segment largely comprises of our EPC business
- Revenue for Q3 FY25 grew by 111% YoY, with 9M FY25 growth at 200%. Robust execution of the EPC order book led to the strong growth during the quarter
- Segmental EBIT for the quarter grew by 37% YoY with EBIT margin at 11.3%
- Annual sustainable operating margin in this business is expected to be in high single digit over mid-to-long term

A person in a dark suit and tie is holding a smartphone. The background is a composite image featuring a white line graph, a candlestick chart, and various bokeh light effects in shades of yellow, orange, and red. A large purple circle with a white center is positioned on the left side of the image.

Shareholding Pattern

Shareholding Pattern



Note: As on 31st December 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".

The background features a stack of coins on the left, a calculator on the right, and a semi-transparent stock market candlestick chart with various numerical values overlaid. A bright light flare is positioned in the center-right area. A purple circular graphic with a white center is on the left side, containing the text 'Financial Statements'.

Financial Statements

Consolidated Profit and Loss Statement

Particulars (₹ Mn)	Quarter						Year To Date			
	Q3 FY25	%	Q2 FY25	%	Q3 FY24	%	9M FY25	%	9M FY24	%
Revenue from Operations	52,261	100.0%	54,984	100.0%	43,405	100.0%	1,54,225	100.0%	1,24,475	100.0%
Cost of Goods sold	38,807	74.3%	42,025	76.4%	31,692	73.0%	1,16,247	75.4%	91,011	73.1%
Contribution (A)	13,453	25.7%	12,960	23.6%	11,713	27.0%	37,978	24.6%	33,464	26.9%
Employee Cost	1,989	3.8%	1,803	3.3%	1,494	3.4%	5,331	3.5%	4,400	3.5%
Other Operating Expenses	4,265	8.2%	4,841	8.8%	4,524	10.4%	13,298	8.6%	11,762	9.4%
Total Operating Expenses (B)	6,254	12.0%	6,644	12.1%	6,018	13.9%	18,629	12.1%	16,162	13.0%
EBITDA (A)-(B)	7,199	13.8%	6,316	11.5%	5,695	13.1%	19,349	12.5%	17,303	13.9%
Other Income	250	0.5%	762	1.4%	710	1.6%	1,596	1.0%	1,670	1.3%
Depreciation	786	1.5%	721	1.3%	619	1.4%	2,177	1.4%	1,793	1.4%
Finance Cost	498	1.0%	453	0.8%	322	0.7%	1,364	0.9%	839	0.7%
PBT	6,166	11.8%	5,903	10.7%	5,464	12.6%	17,403	11.3%	16,340	13.1%
Income Tax	1,522	2.9%	1,451	2.6%	1,299	3.0%	4,291	2.8%	3,846	3.1%
PAT	4,643	8.9%	4,452	8.1%	4,165	9.6%	13,112	8.5%	12,494	10.0%

Consolidated Balance Sheet

Particulars (₹ Mn)	Dec-24	Sep-24	Dec-23
Assets			
<u>Non-current Assets</u>			
Fixed Assets	35,544	33,607	26,656
Non-current Deposits	110	103	91
Other Non-current Assets	6,647	5,772	4,644
Total Non-current Assets	42,302	39,482	31,390
<u>Current Assets</u>			
Inventories	43,784	42,559	37,688
Trade Receivables	23,617	23,389	14,978
Investments	11,744	21,860	14,095
Cash and Bank Balances	6,612	3,435	5,116
Others - Current Assets	7,657	6,386	5,502
Total Current Assets	93,413	97,630	77,378
Total Assets	1,35,714	1,37,111	1,08,769

Particulars (₹ Mn)	Dec-24	Sep-24	Dec-23
Equity and Liabilities			
<u>Shareholder's Funds</u>			
Share Capital	1,504	1,504	1,502
Reserves and Surplus	89,250	84,436	74,720
Total Shareholder's Funds	90,754	85,940	76,222
Minority Interest	741	673	487
<u>Non-current Liabilities</u>			
Borrowings	315	334	156
Others - Non-current Liabilities	3,626	3,318	2,282
Total Non-current Liabilities	3,942	3,651	2,438
<u>Current Liabilities</u>			
Short-term Borrowings	1,010	769	776
Acceptances	19,880	25,915	12,776
Trade Payables	13,159	12,294	10,406
Others - Current Liabilities	6,229	7,870	5,664
Total Current Liabilities	40,278	46,848	29,622
Total Equity and Liabilities	1,35,714	1,37,111	1,08,769

Consolidated Cash Flow Statement

Particulars (₹ Mn)	Quarter			Year To Date	
	Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Net Cash Flow from Operating Activities	-4,519	15,464	4,948	8,770	7,877
Net cash flow from/ (used in) investing activities	4,389	-11,481	-4,593	-5,217	-2,970
Net cash flow from/ (used in) financing activities	-388	-4,781	-62	-5,510	-3,566
Net Increase / (Decrease) in cash and cash equivalents	-517	-798	293	-1,957	1,341

Other Key Data Points

Particulars (₹ Mn)	Quarter			Year To Date	
	Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Advertisement and Sales Promotion Expense	372	311	904	923	1,612
Capex Spends	2,513	2,928	2,804	8,254	6,364
Net Cash Position*	17,140	24,296	18,370	17,140	18,370
Goods in Transit*	2,175	4,386	1,851	2,175	1,851
Exports Revenue	4,345	3,364	2,685	10,176	10,069
Exports Contribution (%)	8.3%	6.1%	6.2%	6.6%	8.1%

* as at period end

Other Financial Metrics

Working Capital Days	Average					Closing				
	Q3 FY25	Q2 FY25	Q1FY25	FY24	FY23	Q3 FY25	Q2 FY25	Q1FY25	FY24	FY23
Receivable Days	34	33	31	33	33	41	42	38	41	32
Inventory Days	94	93	102	91	89	101	103	112	101	102
Payable Days*	77	82	72	81	71	89	109	86	94	85
Net Working Capital	51	44	62	44	51	53	36	64	48	50

* Including Acceptances

Other Income (₹ Mn)	Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Interest Income	81	42	87	170	274
Gain/ (Loss) on Redemption of Investment	374	267	251	963	610
Fair Value of Financial Assets (MTM)	-14	2	-	49	-
Exchange Differences (net)	-313	401	320	251	625
Miscellaneous Income	123	49	52	162	161
Total	250	762	710	1,596	1,670

Finance Cost (₹ Mn)	Q3 FY25	Q2 FY25	Q3 FY24	9M FY25	9M FY24
Interest on Bank Borrowings	9	21	16	43	63
Interest on LC, VBD and Leases	424	342	253	1,088	639
Other Borrowing Costs	64	90	54	233	137
Total	498	453	322	1,364	839



**Project
Spring**

2025

2030

Project LEAP: Soaring Beyond Expectations

Polycab is poised to meet its FY26 revenue target earlier than committed, prompting the need to establish a new growth objective

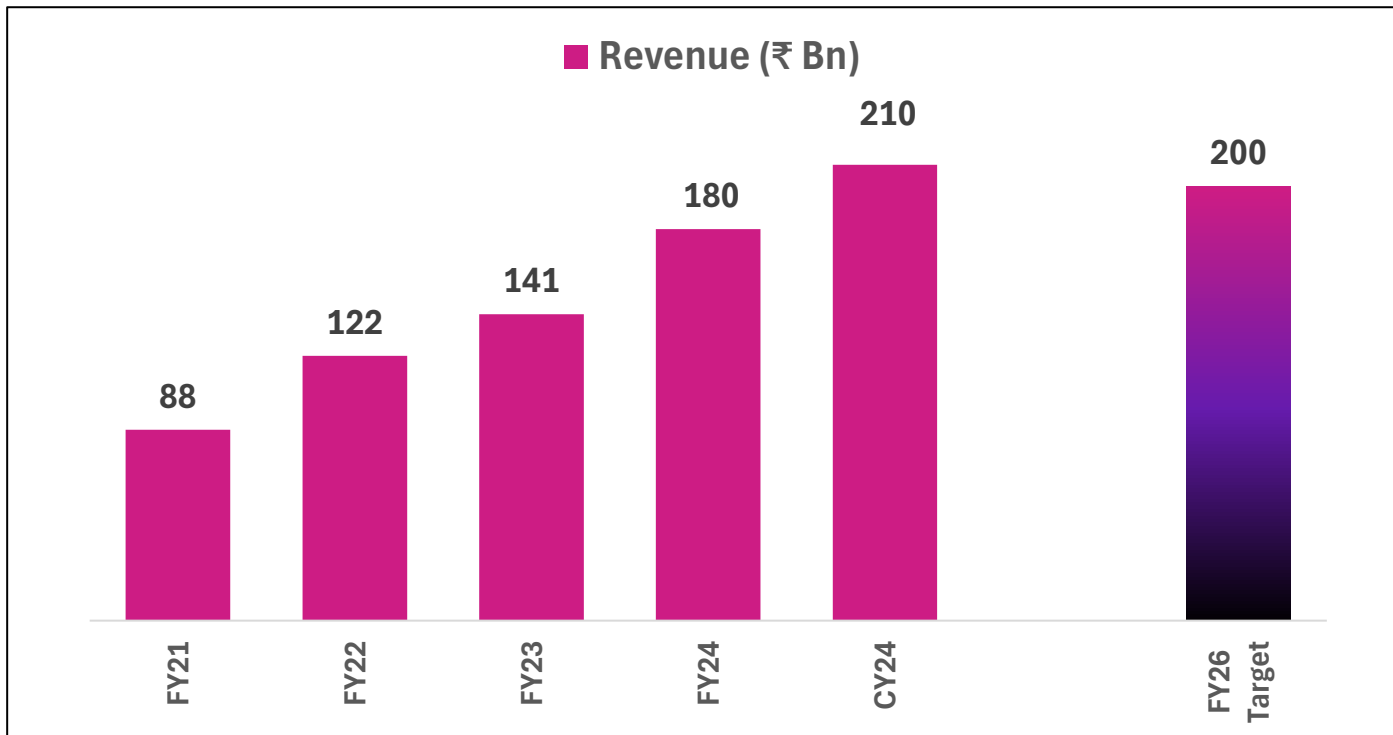
FY21: Launched Project LEAP

FY26 Target: ₹ 200 Bn Sales

CY24: Current Status

CY24 Achieved: ₹ 210 Bn Sales
(>100% achieved)

Pillars of Project LEAP



Energize B2B
(Strengthen Leadership)

Breakout Growth in B2C
(Position to Win)

Future Proof Success
(Organization Excellence)

Accelerate Sustainability Agenda

Forward Looking Statements

We are in “Golden Era” with Massive Growth Opportunities

Government focused on “Viksit Bharat” and “Infrastructural Push”



Domestic W&C to grow at 1.5x - 2x of Real GDP

Continued accelerated pace of growth for the industry with market share gains for organized players



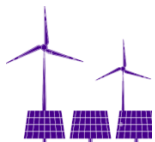
Private Capex to pick-up pace

Can see rise from ~14% of GDP now to ~20% of GDP seen in previous capex upcycle; average manufacturing utilisation at ~75% to further drive private capex



Niche Sectors to Generate Robust Demand for Niche Cables

Domestic manufacturing in Aerospace, Defense, Exploration etc industries will require niche cables



\$280 Bn Energy Investments over FY24-30 (2x of FY17-23)

Driven by green energy transition, transmission infrastructure upgrade; replacement of overhead electric lines with underground electric lines



Unparalleled Investments in Mobility Sector

₹ 15 – 17 Tn Railways & Metros investment in next decade; Transition to EVs with ₹ 140-180 Bn W&C opportunity over 5 years



FMEG Industry to grow at 8 – 10% driven by Favourable Demographics

Per capita income of ~\$4,500 by FY31 vs ~\$2,600 in 2023
360 Mn urban households by 2031, up from 295 Mn in 2021



Real Estate to be ~\$1 Tn Market by 2030 (3x of today)

Multi-year upcycle in residential real estate; emergence of global capacity centers in Tier 2/3 cities



~10 GW Data Centers Capacity Expected by 2030 (1 GW now)

Opportunity for ₹ 1 – 1.2 Tn power components over 6 years

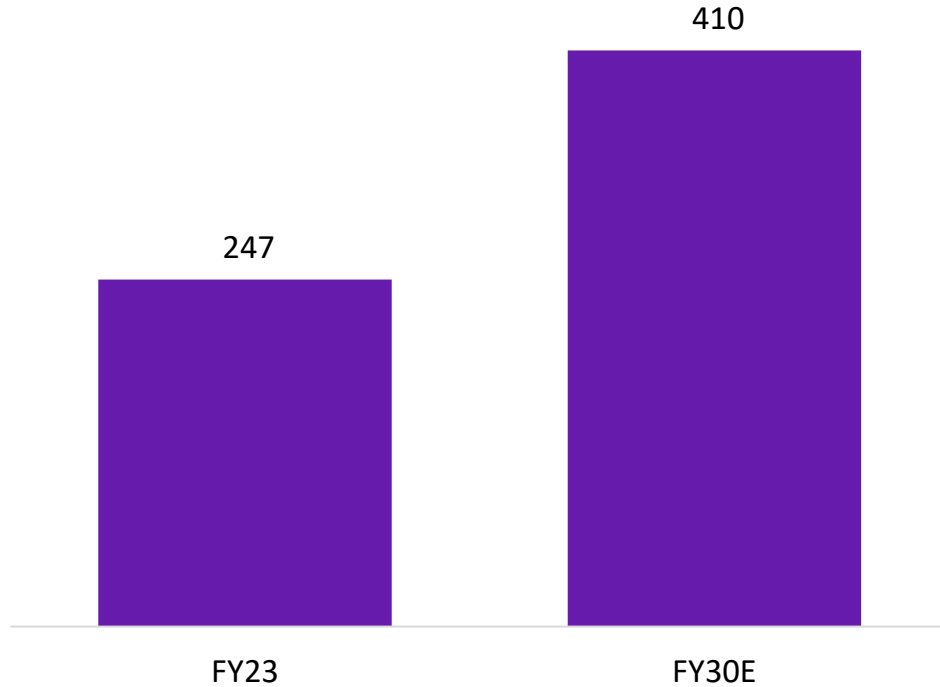


Growing “Brand Consciousness” in FMEG

Adoption of BEE norms, premiumization across categories

Robust Growth Visibility in Global W&C Market

Global Wires & Cables Market (\$ Bn):



- Global W&C Market estimated to reach \$410 Bn by FY30, growing at a CAGR of 7.5%
- Largest importing geographies in global W&C market: USA, Germany, Mexico, UK, France

Key Growth Drivers:



Power and Electricity Trend

- Global electricity consumption to double by 2050
- EU to invest \$633 Bn into electricity grid by 2030
- US GRIP program to invest \$10.5 Bn funds for expansion of electric grids



Renewable Energy Project

- EU to invest \$ 1.6 Tn in power grid & renewable energy by 2030
- EU Offshore Wind Energy capacity to grow from 12 GW to 300 GW by 2050
- African Renewable Energy to create 300 GW of electricity



Data Centers and Digitization

- Investments of ~\$49 Bn by 2030 due to AI adoption & demand for cloud infra



EV Adoption and Charging Infrastructure

- Battery & Hybrid EVs to make up 55% of total global vehicle sales by 2030
- Global Public charging points to exceed ~15 Mn by 2030 from current ~4 Mn



Smart Cities and Residential Real Estate

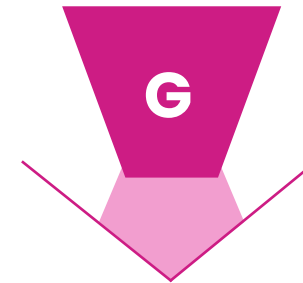
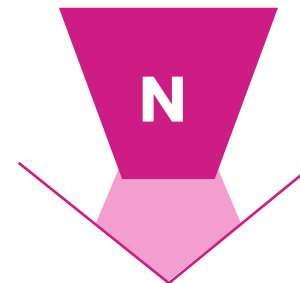
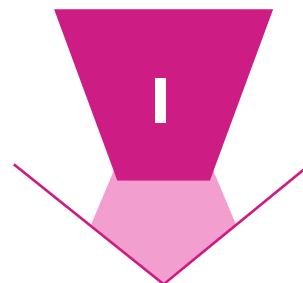
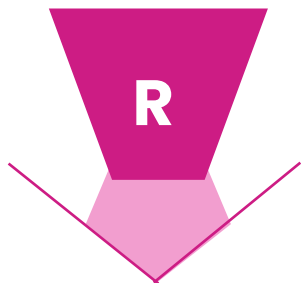
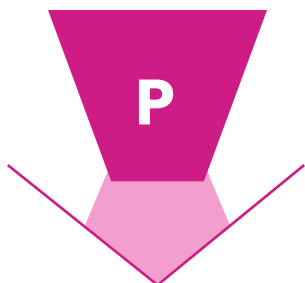
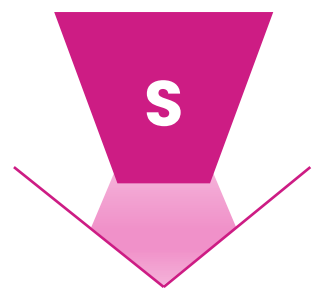
- ~68% of world population living in Urban Areas by 2050
- Saudi Arabia's Vision 2030 to lead investment of \$ 1 Tn in real estate & infra
- Global Smart Cities Market is expected to reach \$ 1.1 trillion by 2028



China + 1 Policy

- Companies looking to diversify supply chain away from China
- Countries have increased tariffs & levied sanctions on China

New Beginning: Project Spring



**Solidifying
Market
Leadership in
B2B**

**Propelling B2C
Expansion**

**Ramp-Up
International
Business**

**Innovation &
Automation -
Led Holistic
Development**

**Nurture Talent &
Capabilities**

**Growing ESG
Integration**

Driving Value Creation Across All Aspects of the Business

Pillars of Project Spring

A Multi-Year Journey Towards a Brighter, More Prosperous Future



Solidifying Market Leadership in B2B

- ❖ Transition to industry-focused verticals structure
- ❖ Pivoting from Product to Solutions
- ❖ Secondary Sales through Focused Demand Generation
- ❖ Creating and Executing Winning Strategy for Sunrise Sectors



Propelling B2C Expansion

- ❖ Institutionalize Micro-Market Strategy
- ❖ Scale-up Influencer Management Program
- ❖ Enhance Brand Positioning
- ❖ Drive Profitability through Product Premiumization & Cost Optimization



Ramp-Up International Business

- ❖ Expanding into Strategic Niche Markets with High Growth Potential
- ❖ Approvals from Identified Large EPCs
- ❖ Targeted Offerings Tailored to Specific Geographies and Customer Segments
- ❖ Distribution and Logistics Optimization

B2B: Domestic Cables Business; B2C: Domestic Wires and FMEG Business

Pillars of Project Spring

A Multi-Year Journey Towards a Brighter, More Prosperous Future



Innovation & Automation - Led Holistic Development

- ❖ Elevate R&D Investments for Product Innovation
- ❖ Optimize Supply Chain
- ❖ Digitization of Processes across Stakeholders
- ❖ Automation led Manufacturing Productivity



Nurture Talent & Capability

- ❖ Succession Planning
- ❖ Building Leadership Pipeline
- ❖ Integrating Customer-Centricity into the Core of Business Operations
- ❖ Foster an Inclusive, Collaborative and Growth-oriented Culture



Growing ESG Integration

- ❖ Resource Efficiency
- ❖ Sustainable Sourcing
- ❖ Diversity & Inclusion
- ❖ Further Enhancing Transparency & Disclosure

B2B: Domestic Cables Business; B2C: Domestic Wires and FMEG Business

Guidance for Next 5 Years

W&C Business

~1.5x

of Market Growth in
Core segments

11 – 13%

Wires & Cables
EBITDA

>10%

Contribution from
Exports

FMEG Business

1.5x – 2x

of Market Growth in
FMEG

8 – 10%

FMEG
EBITDA

Cash Flow Guidance

₹ 60 – 80 Bn

Capex

>30%

Dividend
Payout Ratio

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.

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