



Dynamic Cables Limited

(Govt Recognised STAR Export House)

www.dynamiccables.co.in

Date: November 12, 2022

To,

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Scrip Code: BSE-540795**

**National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1
G-Block, Bandra-Kurla Complex,
Bandra(East) Mumbai-4000501
Trading Symbol: DYCL**

Sub: Press Release under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/ Madam,

With reference to the captioned subject, please find enclosed press release on the Un-Audited Financial Results of the Company for the quarter and half year ended on September 30, 2022.

Kindly take on record the same and oblige us.

Thanking you,

For Dynamic Cables Limited

**Naina
Gupta**

Digitally signed by Naina Gupta
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st= Rajasthan,
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serialNumber=6697468C980CD51554F767
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D4E4095, cn=Naina Gupta
Date: 2022.11.12 17:58:17 +0530

**Naina Gupta
(Company Secretary and Compliance Officer)
M. No. A56881
Encl.: as above**



CIN: L31300RJ2007PLC024139

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Ph: +91 141 2262589, 4042005 | Fax: +91 141 2330182 | Email:info@dynamiccables.co.in

HT Upto 66KV & LT Aerial Bunched, Power, Control & Railway Signalling Cables, ACSR/AAC / AAAC / AL-59 / MVCC Conductors.



Perseverance and Commitment for Growth

Highest Ever Quarterly Revenue, Up 30% YoY

Margins Bottomed Out

November 12, 2022, Jaipur: Dynamic Cables Limited (DCL), today announced its result for Q2FY23 and H1FY23 ended September 30, 2022.

Financial Performance:

(Rs. Crs)

Particulars	Q2FY23	Q1FY22	H1FY23	FY22
Operating Revenue	173.4	158.0	331.4	563.6
Operating Ebitda	14.8	14.2	29.0	59.8
Operating Ebitda %	8.6%	9.0%	8.8%	10.6%
Finance Cost	4.0	3.4	7.3	13.0
Depreciation	1.9	1.8	3.7	8.1
PBT	10.0	9.6	19.5	41.5
Income Tax	2.7	2.4	5.1	10.6
PAT	7.2	7.2	14.4	30.9

Commenting on the results, Mr. Ashish Mangal, Managing Director of Dynamic Cables Limited commented: We are delighted to report that we continued the growth momentum from previous quarter and delivered companies' highest ever quarterly revenue. Despite the challenges in Operating environment due to sharp reduction in raw material prices, we were able to showcase a healthy growth of 30% in revenue on relatively high base of previous year and it is encouraging to see healthy volume growth. In quarter gone by we achieved major breakthrough in our MVCC product and upgradation of RDSO vendor category, going forward both these factors will play an important role in driving our growth.

We are seeing a healthy growth in capital expenditure by government and private sector driven by robust increase in per capita power consumption in India which is far below the developed economies. Focus on rural electrification and improving T&D infrastructure will significantly boost the demand in mid to long term which augurs well for the company. We remained committed to our goals to increase our efforts to maximize operational efficiencies, across the board to cater current and future growth, further consolidate our position in mid-tier cable supplier segment and grow profitably.

Financial Highlights:

- Operating Profit margins were under pressure due to following reasons:
 - Renegotiation of certain contracts with our private sector customers due to sharp decline in raw material prices (30% decline in Aluminum prices from its peak in march)
 - Absorption of high-cost inventory from previous quarters (accumulated due to instability caused by Ukraine war)
 - Step up in expenditure towards development and trials of new products (MVCC & Railway Signaling cables). Adjusting for the new products Q2 operating margin is ~9%
- With the headwinds behind us and new products showing encouraging traction, margins are expected to normalize.
- Receivable days (calculated on trailing 6 months gross sales) were ~84 days in Q2FY23.
- Order book stands at ~ Rs 280 Crs



- **Borrowing:**

Particulars (Rs. In Crs)	31 st September 2022	30 th June 2022	31 st Mar 2022
Term Loans from Banks/FIs	19.3	21.4	23.4
Other Loans	11.4	12.7	8.5
Working Capital Loans	60.9	68.7	44.8
Total On-balance sheet Debt	91.6	102.8	76.6
LC Creditors (Off- balance sheet)	65.3	61.0	62.5
Total Borrowing	156.9	163.8	139.1

Outlook:

- Despite global challenges Indian economy is relatively stable with improvements in capacity utilisation, significant bank credit expansion and government’s continued thrust on capex
- Continuing from previous quarter we are witnessing a robust demand from both private and government sector
- The government of India has approved Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability. This scheme will have an outlay over Rs 3 lakh crore by FY 2026, and major chunk of it will be spend on Discoms infrastructure creation which will create mid to long term demand for the cables and conductors.
- Demand environment continued to remain encouraging from energy and infrastructure sector. Increase in private and government investments in energy-intensive industries such as steel, aluminum, cement, refineries and the national infrastructure pipeline in important areas such as railway, metro constructions, road and highway overhead to underground stations, ports and airports, etc, is leading to increased demand of wires and cables
- We believe that the domestic economy is likely to remain resilient in H2, with rural demand catching up and urban demand likely to improve further with the typical upturn seen in the second half of the year.
- Our recent breakthroughs in MVCC and Railway business is expected to contribute meaningfully in our sales growth. Further , as their supplies mature , it will also ease the overall margin pressure.
- We are focused in deploying efforts towards development of new products as extension to our core products.
- We believe that various new segments such as electric vehicles, exports, railway electrification, import substitution, etc. will evolve as sizeable business opportunities for the company.

About Dynamic Cables Ltd.:

Dynamic Cables Ltd. is manufacturer of power infra cables that includes LT, HT, EHVC, Power control & instrumentation cables, flexible & industrial cables, solar cables and railway signaling cables. It supplies cables to Government Discoms, Private Distribution companies, Private EPC contractors, industrial and Export clients. Company has 3 manufacturing plants are situated at Jaipur and Reengus. Business operations are managed through corporate office in Jaipur and 5 regional sales offices across India.



Dynamic Cables Limited

Disclaimer:

Certain statements in this press release may be forward-looking statements and/or based on management's current expectations and beliefs concerning future developments and their potential effects upon Dynamic Cables. The forward-looking statements are not a guarantee of future performance and involve risks and uncertainties and there are important factors that could cause actual results to differ, possibly materially, from expectations reflected in such forward-looking statements. Dynamic Cables does not intend, and is under no obligation, to update any forward-looking statement contained in this press release.