

## **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: Corporate 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 Corporate 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

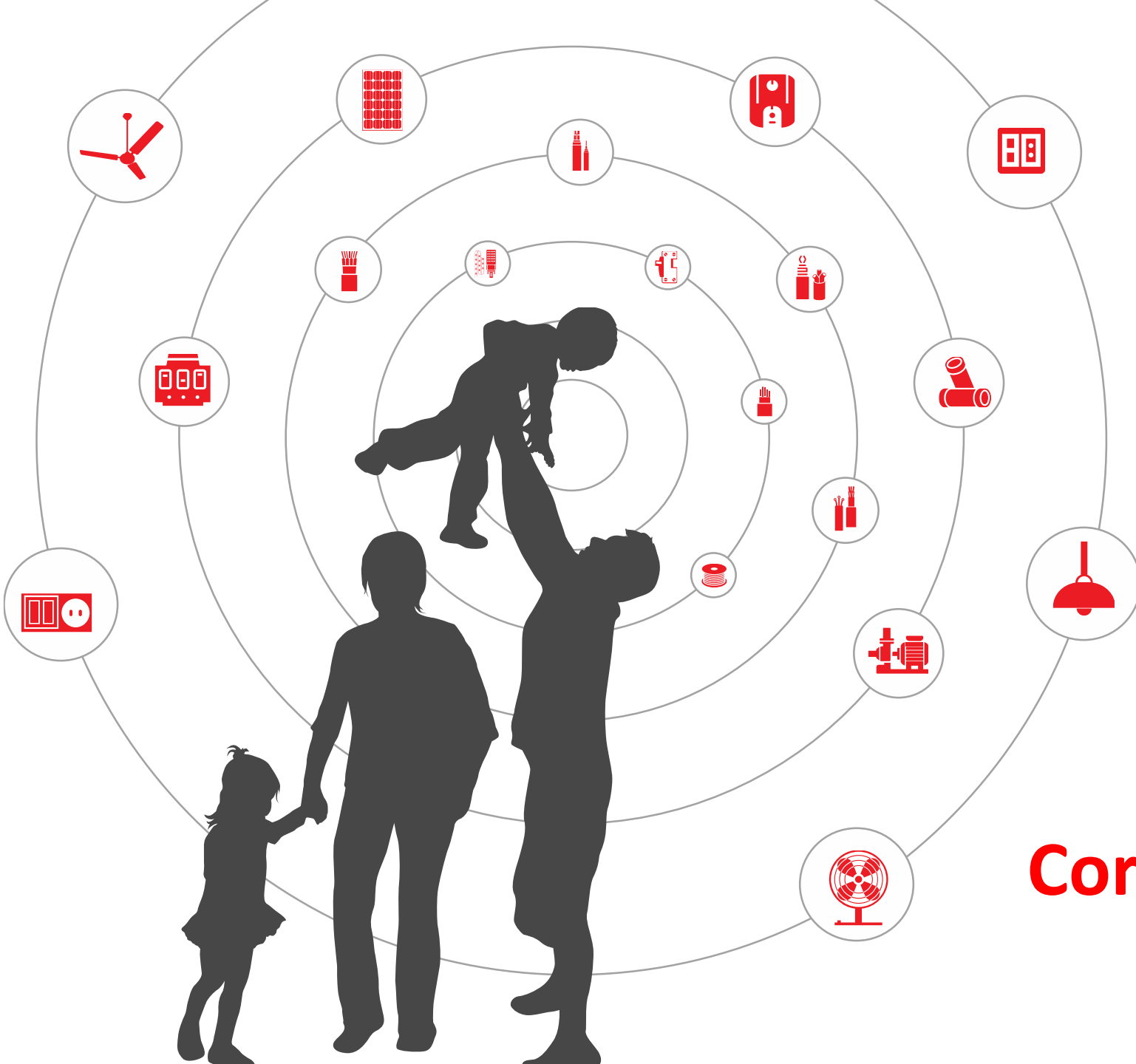
Yours Faithfully

**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



# Corporate Presentation

21 July 2020

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# Company Overview



# Polycab: A Snapshot

## #1 Manufacturer in India

Market leader in Wires and Cables<sup>1</sup>

12 - 13% Overall Market Share<sup>2</sup>



## PAN India Network



3,500+ Dealers & Distributors

1,30,000+ Retail Outlets

## Fast Growing FMEG Brand



5-year CAGR at ~47%

## Manufacturing Footprint



25 Facilities, 7 locations

Strong backward integration

## Strong Management Bandwidth



Blend of Entrepreneurial and highly experienced professional management

## Proven Track Record

5 year CAGR

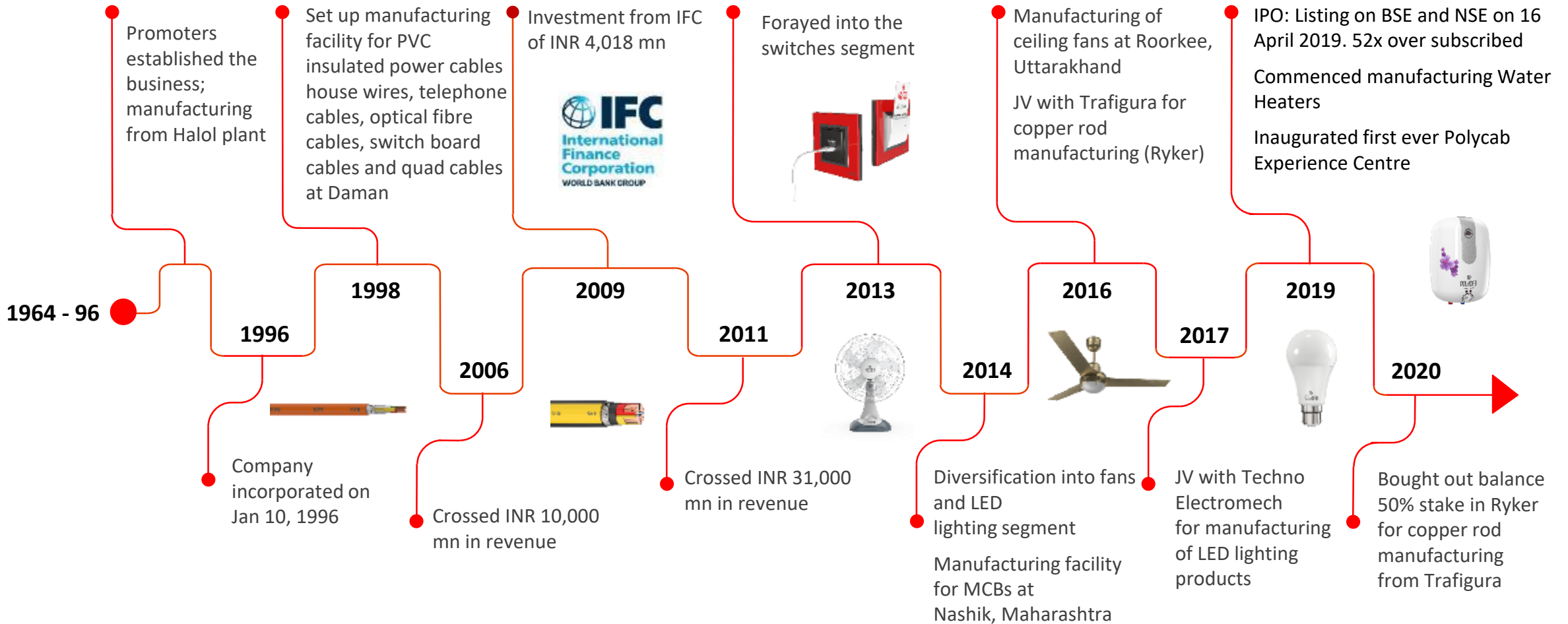
Revenue 13%

EBITDA<sup>4</sup> 21%, PAT<sup>5</sup> 37%



Note: FMEG: Fast Moving Electrical Goods; (1) In India, In terms of segment revenue; (2) As of March 31, 2020; (3) EBITDA - Earnings before Interest, Tax, Depreciation & Amortization excludes other Income; (4) PAT – Profit after tax

# Our Journey



# Our Segments: An Overview

% of Total Revenue



**85%**  
**Wires & Cables**

**9%**  
**Fast Moving  
Electrical Goods**

**FY 20 Total Revenue  
88,300 Mn**

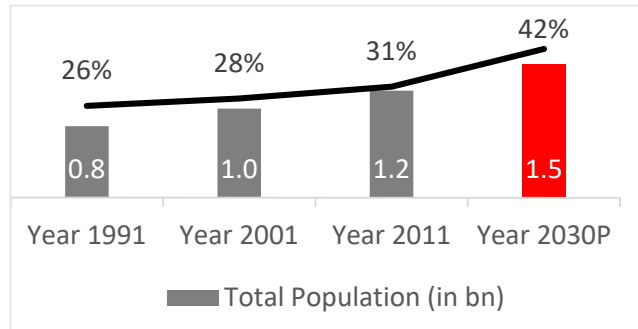
**6%**  
**Other (incl. EPC)**



Notes: Consolidated Revenue in INR Mn

# Increase in Consumer Spending, Infrastructure Growth and Industrial Investments to Drive Electricals Industry

## Consumer Spend



- **Metropolitan cities** in India to increase from 46 in 2011 to **68 in 2030<sup>1</sup>**
- **Working-age population** to grow **~1.2x times** in the period 2015-2030
- Increasing **propensity to Spend**, demand for **improved products** and preference of **Indian brands**
- **Per Capita Income CAGR of c.10%** over last 5 years
- **Developed Rural, Urbanization and Nuclearization of families**

## Infrastructure Development

- Government announced expenditure of **~ INR 111 lakh crore** in infrastructure sector over **next 5 years, as a part of National Infrastructure Pipeline (NIP)**,
  - Energy, railways, urban and infrastructure to comprise **~72%** of the expenditure
- Total Energy capacity expected to be **583 GW by 2025** from current 356 GW
- **Housing for All by 2022** targeting 31mn households in the urban and rural areas – PMAY
- **100% electrification** of existing railway network, mass **rapid transit system** and availability of **public charging infrastructure**
- **100% population** coverage for telecom and high-quality broadband services and **laying optical fiber cables** across the nation under **Bharat Net project**

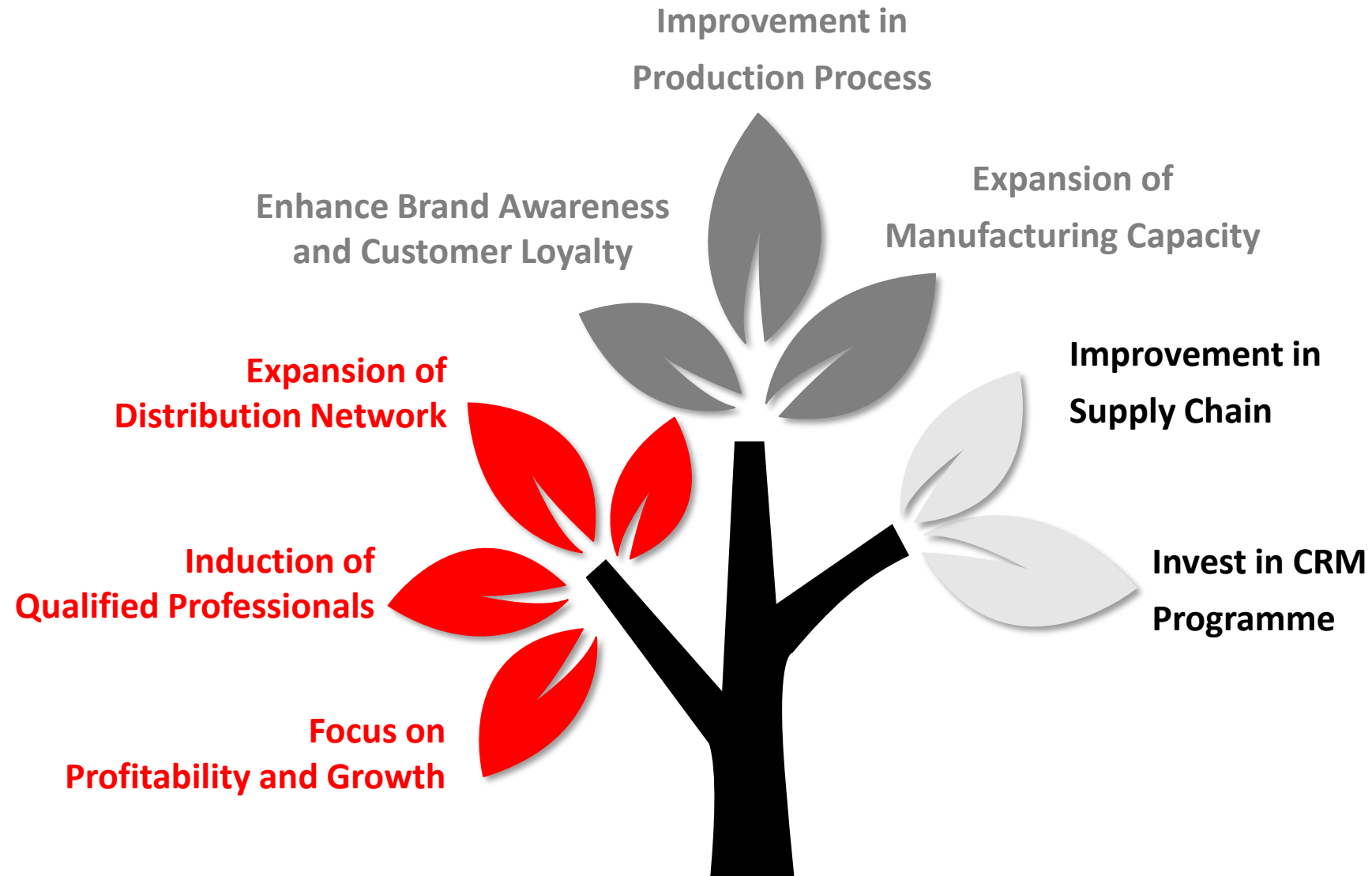
## Industrial Growth

- **Indian Electrical Equipment Industry** plans to make India the “country of choice” for production of electrical equipment
- **Indigenous** manufacturing, self reliant India
- **Cut in corporate tax rate** to promote growth and investments
- Reforms and initiatives under **Aatmanirbhar Bharat Abhiyaan** to support Indian economy:
  - MSME funding, MGNREGS allocation, Agriculture reforms to boost income
  - Liquidity Injection to revive DISCOMs and overall economy. Power Tariff reforms
  - No foreign participation in < Rs 200cr Government tenders, Defence import ban.
  - Affordable housing push through Credit Linked Subsidy Scheme. Industrial infrastructure upgrade scheme

Sources: 1. National Infrastructure Pipeline Task Force Report 2020, 2. Pradhan Mantri Awas Yojana (Urban) Mission, 3. Announcements by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman



# Key Management Initiatives to create value



# Leadership in Wires and Cables

# Market leader in Wires & Cables with a diverse portfolio

**Polycab is the largest Wires and Cables manufacturer in India, with a strong suite of products...**

**Power Cable**



**Control Cables**



**Other Cables**



**Optical Fiber Cable**



**Instrumentation Cables**



**Flexible Wires**



**Building Wires**



FR (Flame Retardant)



FRLS (Flame Retardant Low Smoke)



ZHFR (Zero Halogen Flame Retardant)

**Solar Cable**



**Wide Customer Base across Industries...**



**Power**



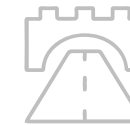
**Oil and Gas**



**Construction**



**IT Park**



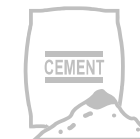
**Infrastructure**



**Metal**



**Non-Metal**



**Cement**



**Agriculture**



**Real Estate**



**Telecom**



**Railway**

# Polycab's dominant position in Wires and Cables industry to capture attractive market size

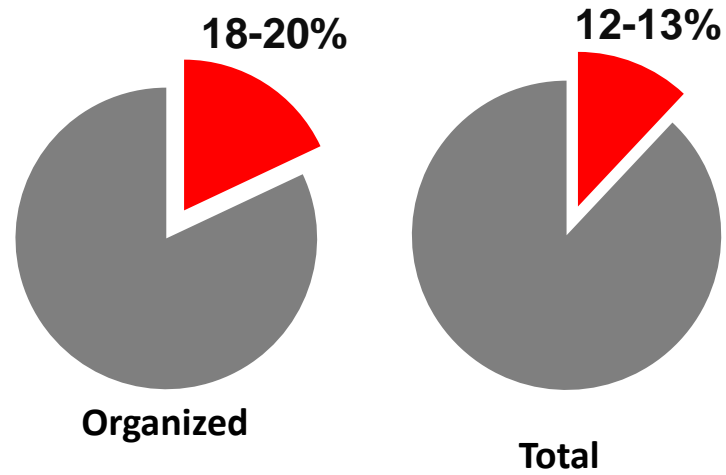
**Wires and Cables industry  
In FY20<sup>1</sup>:**

**~ 500 – 550bn  
Market Size**

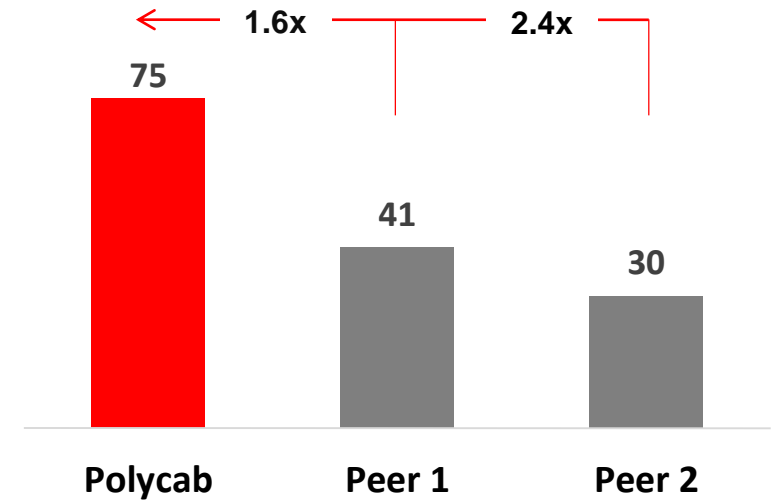
**40–45% of the electrical  
equipment industry**

**Polycab 5-year C&W Revenue CAGR: ~11%**

**Market Share in FY20<sup>(1)</sup>**



**FY20 Wires and Cables Revenue**



## The Polycab Advantage



Note: (1) Industry estimates, Polycab estimates; (2) Revenue in INR billion; No adjustment for Inter segment revenue

# Fast growing FMEG Business

# FMEG : Expanding presence in ‘Electricals’ ecosystem

**FMEG continues to become a sizeable part of the business - growing at 47% CAGR in past 5 years**

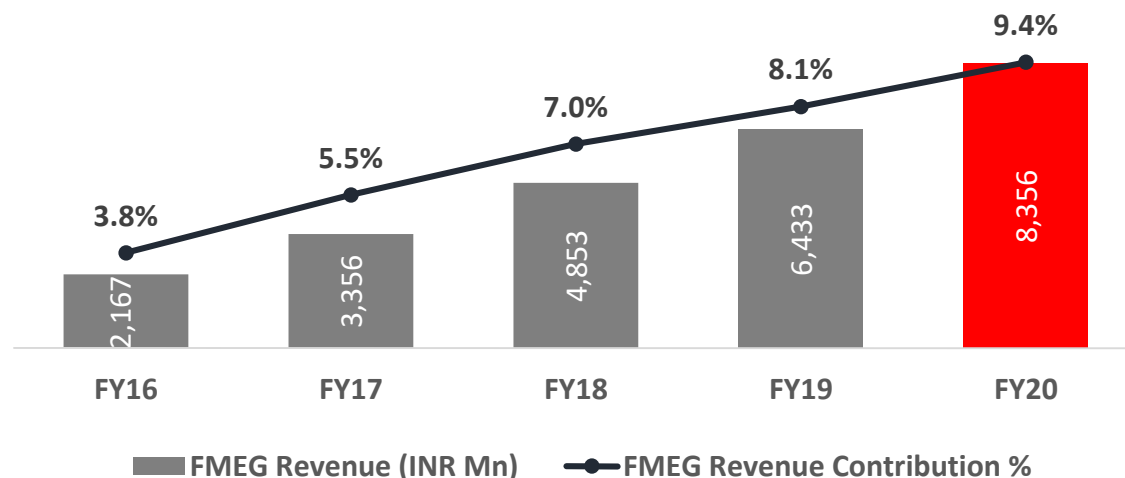


## Forayed in FY14 ...

- Diversified portfolio with focus on the upcoming industry trends
- Inhouse Manufacturing
- Pan India Distribution
- Present in Fans, Lighting Luminaires, Switches, Switchgears, Water heaters, Pipes, Conduits, Agro pumps, Solar etc.

## Logical synergies ...

- Common raw materials - higher negotiating power
- Manufacturing know how
- Strong brand goodwill in electricals space
- Economies of scale - Cost-savings in transportation & distribution
- Cross-sell opportunities to a larger customer base



# High Growth Opportunity in the Indian FMEG Industry

Macro drivers include evolving consumer aspirations, increasing awareness, rising income, rural electrification, urbanisation, digital connectivity

## Fans



93Bn

- Preference for **energy efficient fans**
- **Value added products**
- Increasing demand for **premium and smart fans** with aesthetic appeal

## Switches



46Bn

- Customer preferences towards **modular switches**
- Demand for **safe and secure switches**
- Greater awareness towards **building automation and management**

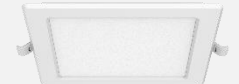
## Switchgear



210Bn

- **LV to outgrow MV / HV** segment
- **Modular devices and safe products** gaining preference
- Rising demand for various **electrical appliances**

## Lighting



223Bn

- Considerable **shift towards LED segment**
- Government efforts and consumer awareness towards **energy efficient technology**
- **Emerging technology trends** like Smart LED's

Notes: Industry estimates, Polycab estimates; Figures in INR

# Polycab Experience Centres: Expanding in 'Electricals' ecosystem

- Strategic showcase enabling consumers and trade constituents to experience and choose from a wide range of quality products
- At iconic electric markets hub which is also an important feeder market to western and southern India
- Deepens connect with direct customers in the FMEG market as well as retailers from upcountry
- Aiming to expand such experimental stores across key cities
- Currently in Mumbai, Pune and Kerala





# Strengthening Brand Recognition

# Strong Brand Recognition in the Electricals Industry..

## From B2B to B2C Our Brand Journey

‘Connection Zindagi Ka’ was a hit with customers- the impactful narrative with their minds and hearts



**2013**

Corporate Commercial,  
Elevated our brand  
amongst Top 3 in *house  
wires*



**2014**

Polycab became a  
household name with the  
target audience



**2016- 2017**

Indian Premier League

**2018**

R Madhavan, Actor



**2019**

Ayushmann Khurana, & Paresh Rawal (Actors)  
Indian Premier League (IPL)

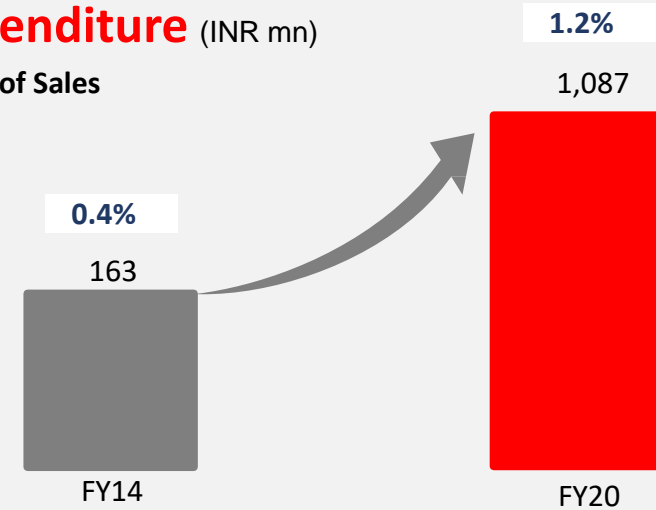


# ... and strengthening it further using multi pronged approach

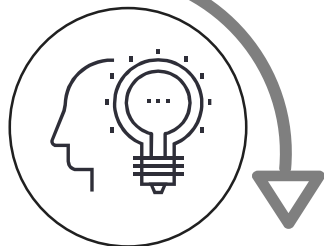


## Advertising and Sales Promotion Expenditure (INR mn)

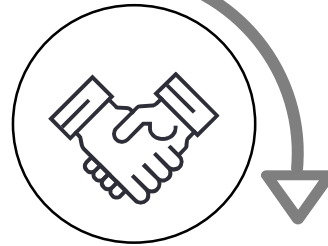
As % of Sales



Multi pronged approach to increase brand awareness



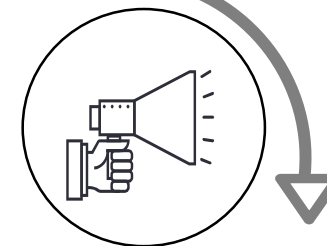
Actively engage Dealers and Distributors



Loyalty Points via Bandhan Star App



Increased Advertising on Social Media and Sales Promotion



# Pan India distribution network to support diverse customer base and product categories



**By Product**



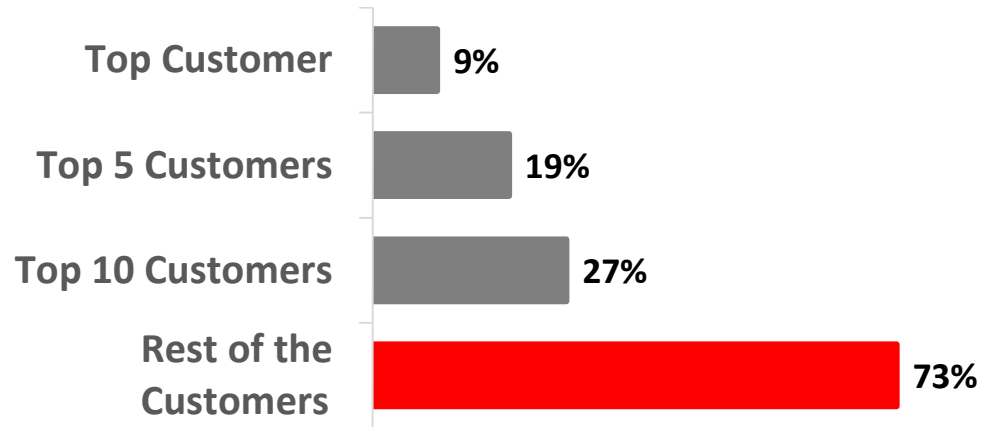
**By Geography**



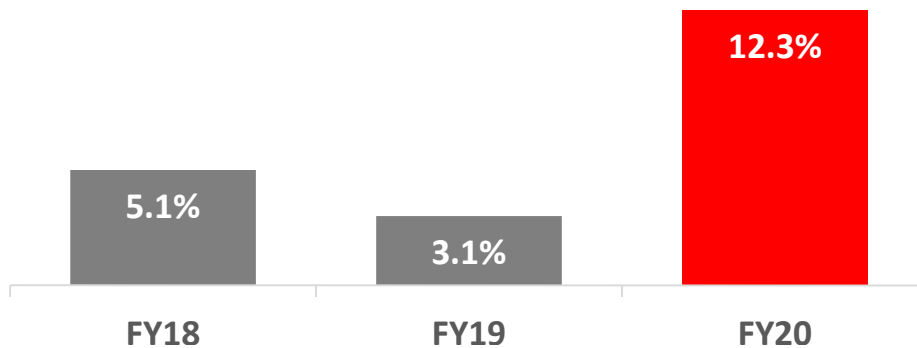
*Notes: The charts represent split of authorised dealers and distributors*

# Catering to marquee customers

## Total Revenue Contribution in FY20



## Revenue from outside India (% of total revenue)

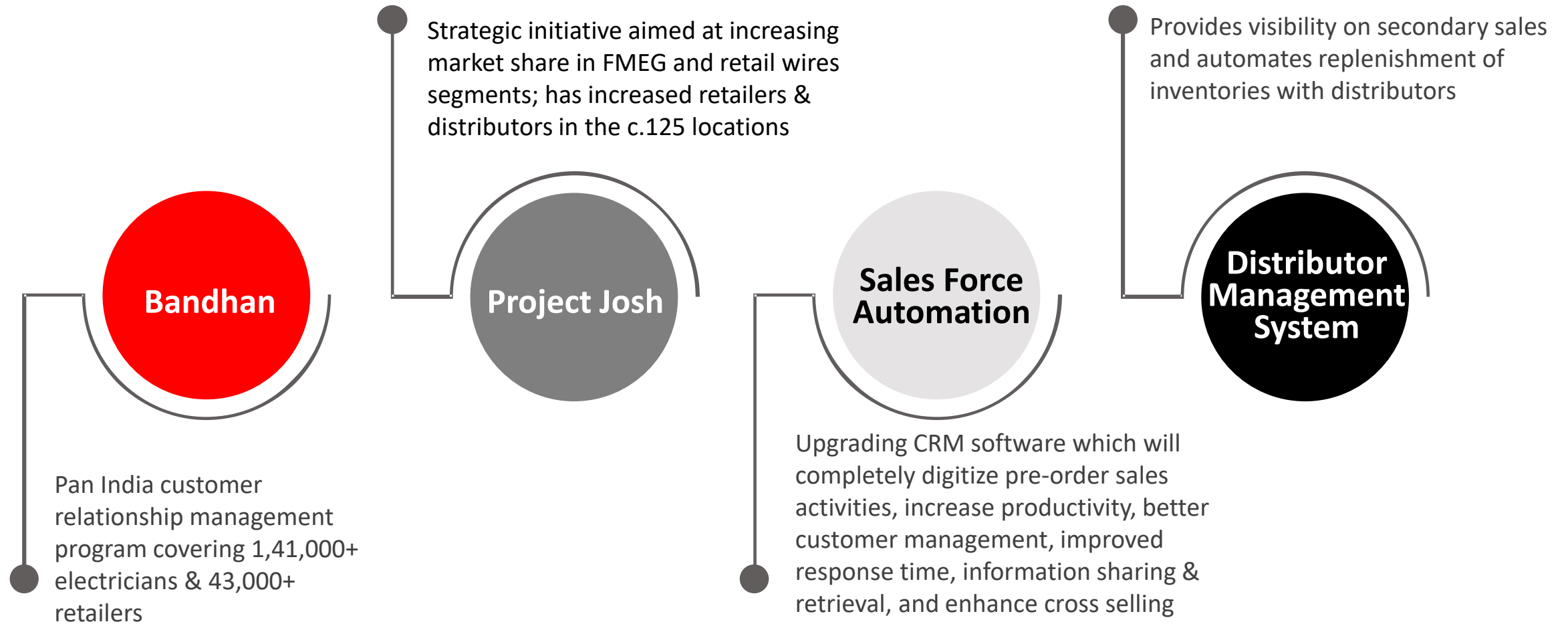


The grid displays logos for the following industries and companies:

- Oil & Gas:** Reliance Industries Limited, HP, Bharat Petroleum, IndianOil, ONGC
- Metal:** vedanta, JSW Steel, सेल SAIL, Hindustan Zinc Limited, Export, DANGOTE GROUP
- Infrastructure:** SIEMENS, LARSEN & TOUBRO, Honeywell, AFCONS, INDIAN RAILWAYS
- Paints Chemicals:** asianpaints, KANSAI NEROLAC PAINTS LIMITED
- Auto:** BOSCH, TATA TATA MOTORS
- Cement:** ACC, Ambuja Cement
- Telecom:** jio, vodafone, !dea
- Power:** TATA TATA POWER
- Government:** Government of India, इसरो ISRO, NPCIL, MMRC

Note: Companies served in past and present, directly or indirectly through authorised dealer/ distributors

# Strategic initiatives to drive sustainable growth over long term



**Strong Manufacturing  
& R&D capabilities**

# Inhouse Manufacturing with a high degree of backward integration and Automation...

Multi-location manufacturing (Products<sup>1</sup>; Annual capacity)



Halol



Fan Manufacturing Unit



Braiding Machines



Cable CCV Line

1. Figures are absolute numbers where no units are indicated as of 31<sup>st</sup> March, 2020;



# ...Strong R&D and innovation capabilities with quality assurance

## Investments in in-house R&D capabilities with strong focus on backward integration...

- NABL ISO 17025 certified R&D centre to support own manufacturing
- Over 100 engineers and technicians
- Centre of excellence for R&D on polymers
- Bought out Ryker further strengthening backward integration of operations and improve quality of its key input i.e. Copper
- Ryker Plant copper analysis center for both incoming and out -going raw materials
- Existing facilities for key raw materials with continuously improving R&D capabilities to capitalize on industry trends
- Environmentally friendly power cables, rubber (elastomeric) cables and electron-beam irradiated cables



### Green Wire

Our ecological initiative

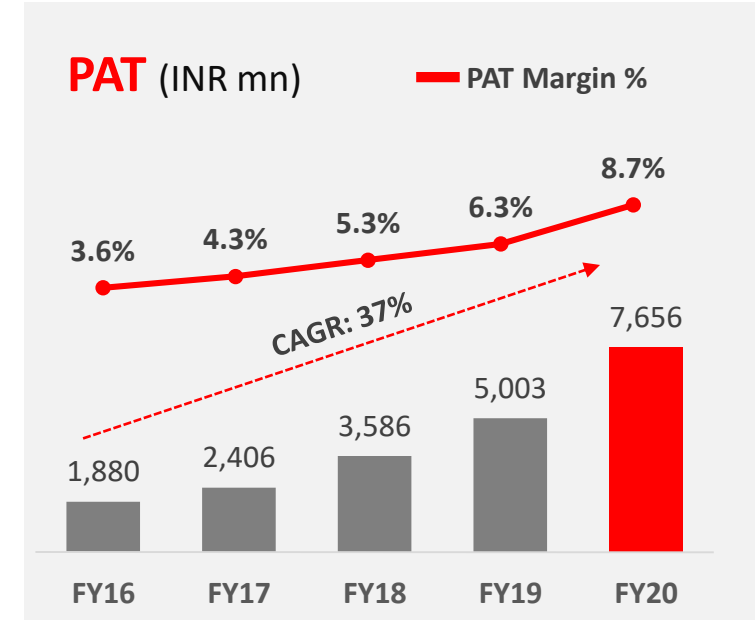
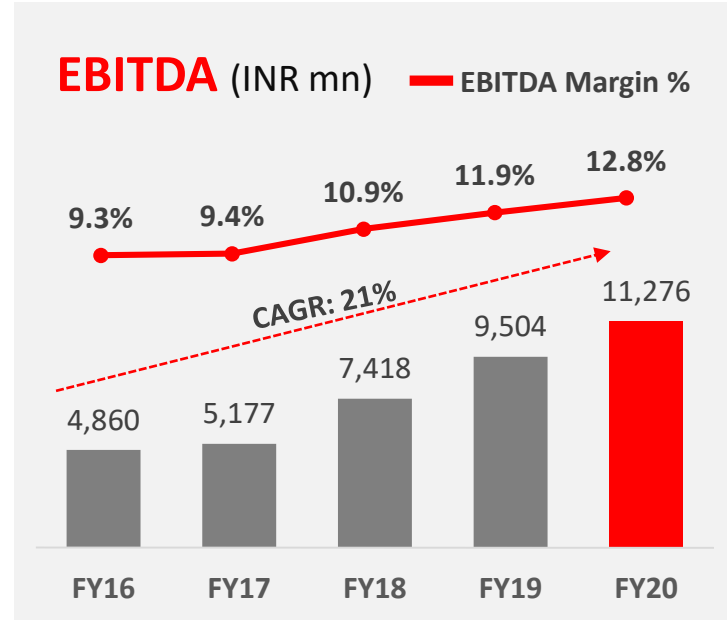
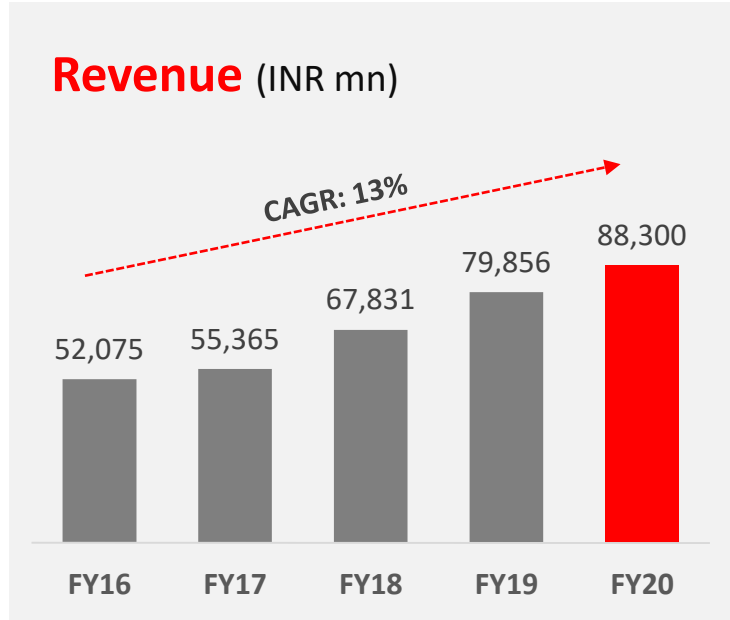
Launched Green Wire in 2017 an energy efficient and environment-friendly product that contributes to India's 'Go Green' mission

## Supported by quality & reliability initiatives...



# Robust Financials

# Proven track record of financial performance

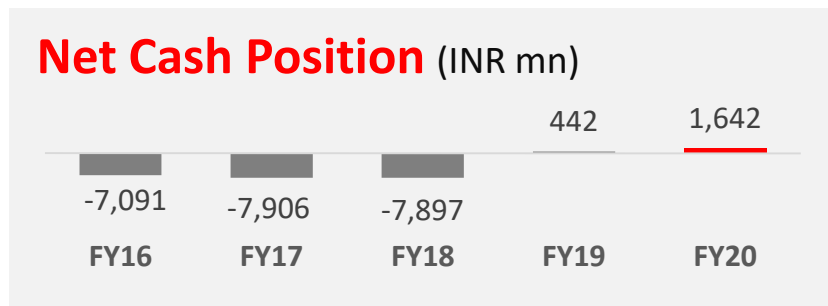
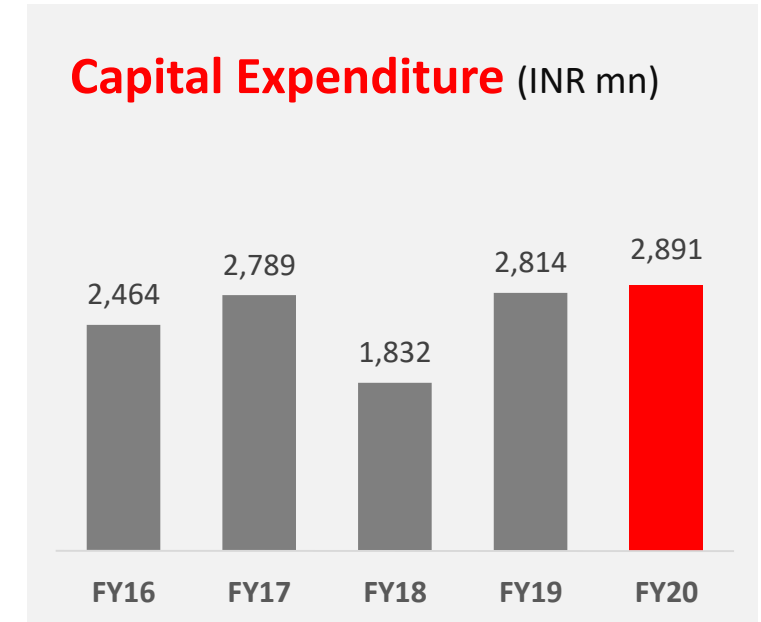
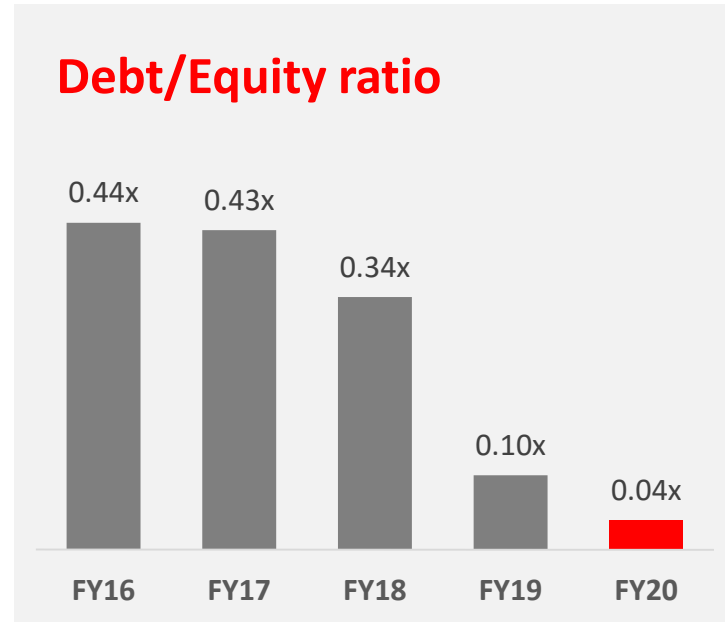
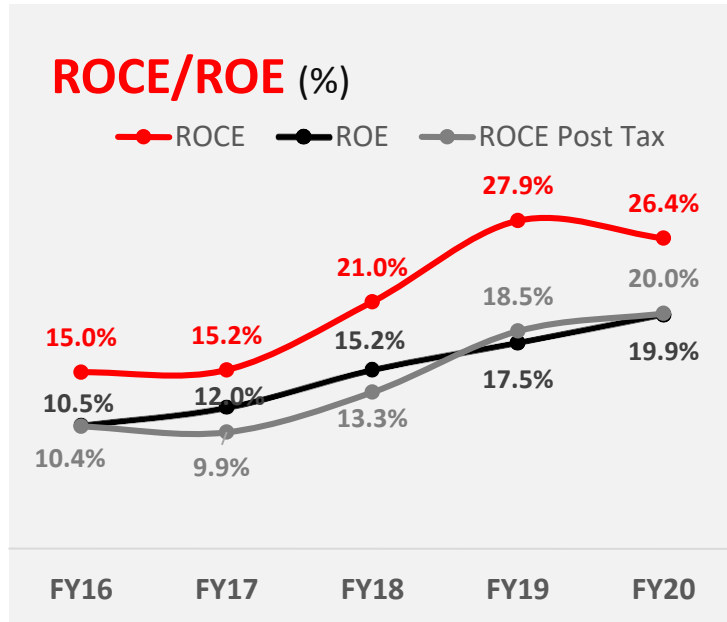


Delivering steady growth + profitability



Notes: (1) Numbers on consolidated basis (2) Financials for FY16-FY20 have been prepared using IND AS (3) Revenue: Revenue from operations (4) EBITDA excludes Other Income (5) CAGR - five years

# Proven track record of financial performance



Improving returns and surplus cash to fuel future growth

**Growth Funded by Internal Accruals**



**Invested in technology and built capacities for future**

Notes: (1) Financials for FY16-FY20 have been prepared using IND AS (2) ROCE (Return on Capital Employed) is (Profit before tax plus finance cost) divided by closing value of (non-current borrowings plus current borrowings plus current maturities of non-current borrowings plus total equity including non-controlling interest), ROCE post tax uses effective tax rate (3) ROE (Return on Equity) is Profit for the year divided by closing value of equity including non-controlling interests (4) Debt / Equity: Total debt / equity including non-controlling interests (5) Net Cash Position: Cash + Bank balances + Investments - Debt

# Consolidated Profit and Loss Statement

Particulars (INR mn)	FY 2020	%	FY 2019	%	FY 2018	%
Revenue from Operation	88,300	100.0%	79,856	100.0%	67,831	100.0%
Cost of Goods sold	63,686	72.1%	59,660	74.7%	52,053	76.7%
<b>Contribution (A)</b>	<b>24,614</b>	<b>27.9%</b>	<b>20,196</b>	<b>25.3%</b>	<b>15,778</b>	<b>23.3%</b>
Employee cost	3,657	4.1%	3,002	3.8%	2,593	3.8%
Other Operating Expenses	9,606	10.9%	7,666	9.6%	5,768	8.5%
<b>Total Operating Expenses (B)</b>	<b>13,263</b>	<b>15.0%</b>	<b>10,668</b>	<b>13.4%</b>	<b>8,361</b>	<b>12.3%</b>
Share of profit/(loss) of JVs (Net of tax) (C)	-74	-0.1%	-23	0.0%	1	0.0%
<b>EBITDA (A) - (B) + (C)</b>	<b>11,276</b>	<b>12.8%</b>	<b>9,505</b>	<b>11.9%</b>	<b>7,418</b>	<b>10.9%</b>
Other Income	928	1.1%	638	0.8%	516	0.8%
Depreciation	1,609	1.8%	1,414	1.8%	1,330	2.0%
Finance Cost	495	0.6%	1,167	1.5%	937	1.4%
<b>PBT</b>	<b>10,100</b>	<b>11.4%</b>	<b>7,561</b>	<b>9.5%</b>	<b>5,667</b>	<b>8.4%</b>
Income Tax	2,444	2.8%	2,558	3.2%	2,082	3.1%
<b>PAT</b>	<b>7,656</b>	<b>8.7%</b>	<b>5,003</b>	<b>6.3%</b>	<b>3,585</b>	<b>5.3%</b>

# Consolidated Balance Sheet

Particulars (INR mn)	FY 2020	FY 2019	FY 2018
<b>Assets</b>			
<b>Non-Current Assets</b>			
Fixed Assets	16,632	14,686	13,331
Other Non-current Assets	2,485	2,355	1,891
<b>Total Non-current Assets</b>	<b>19,117</b>	<b>17,041</b>	<b>15,222</b>
<b>Current Assets</b>			
Inventories	19,250	19,958	13,657
Investments	400	0	0
Trade Receivables	14,336	13,343	12,908
Cash and Bank Balances	2813	3166	106
Others - Current Assets	3,700	2,774	2,588
<b>Total Current Assets</b>	<b>40,499</b>	<b>39,242</b>	<b>29,259</b>
<b>Total Assets</b>	<b>59,616</b>	<b>56,283</b>	<b>44,481</b>

Particulars (INR mn)	FY 2020	FY 2019	FY 2018
<b>Equity &amp; Liabilities</b>			
Shareholder's Funds			
Share Capital	1,489	1,412	1,412
Reserves and Surplus	36,875	27,057	22,064
<b>Total Shareholder's Funds</b>	<b>38,364</b>	<b>28,470</b>	<b>23,476</b>
Minority Interest	150	84	40
<b>Non-current Liabilities</b>			
Borrowings	107	889	1,589
Others - Non-current Liabilities	904	650	831
<b>Total Non-current Liabilities</b>	<b>1,011</b>	<b>1,540</b>	<b>2,420</b>
<b>Current Liabilities</b>			
Short-term Borrowings	1,115	1,031	5,687
Trade Payables	13,537	15,202	9,221
Others - Current Liabilities	5,440	9,957	3,636
<b>Total Current Liabilities</b>	<b>20,091</b>	<b>26,189</b>	<b>18,544</b>
<b>Total Equity and Liabilities</b>	<b>59,616</b>	<b>56,283</b>	<b>44,481</b>

# Consolidated Annual Cash Flow Statement

Particulars (INR mn)	FY 2020	FY 2019	FY 2018
Net Cash Flow from Operating Activities	2,446	12,300	3,624
Net cash flow from/(used in) investing activities	-2,622	-4,077	-1,878
Net cash flow from/(used in) financing activities	107	-6,514	-1,898
<b>Net Increase / (Decrease in cash and cash equivalents)</b>	<b>-69</b>	<b>1,708</b>	<b>-152</b>

# Q1 FY21 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

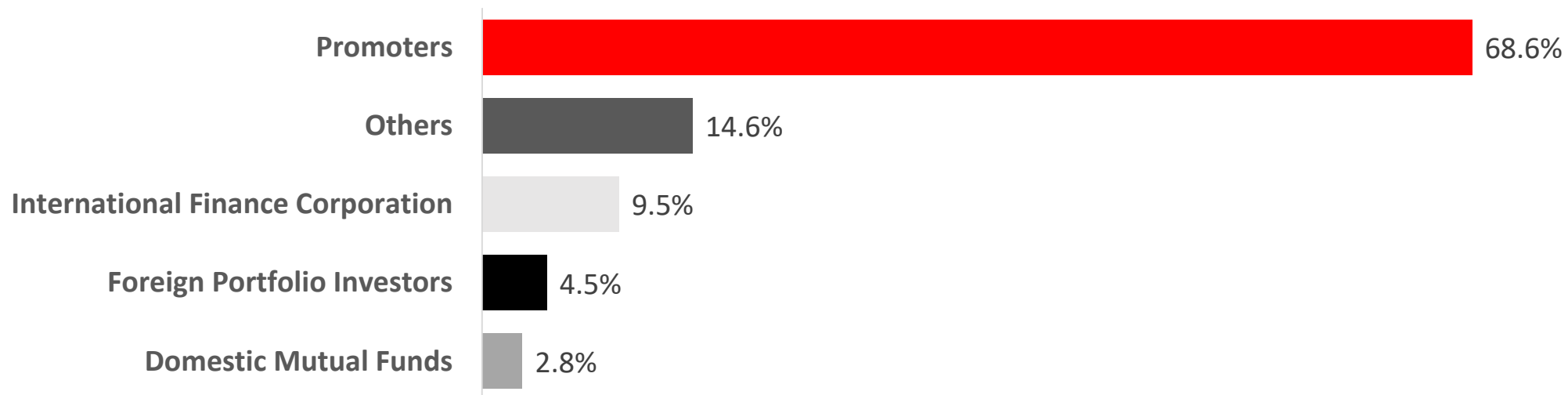
≡ -45% Q-o-Q



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



# Shareholding Pattern



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



# Leadership Team - Board of Directors



**Inder T Jaisinghani**  
Chairman and Managing Director



**Ajay T Jaisinghani**  
Whole-Time Director



**Ramesh T Jaisinghani**  
Whole-Time Director



**SL Bajaj**  
Whole-Time Director

Qualified Chartered Accountant & has previously served major leadership role in Vedanta Ltd, Hindustan Zinc Ltd.



**RS Sharma**  
Independent Director

Holds a degree from ICWA  
Previously served as Chairman and MD at ONGC Limited



**TP Ostwal**  
Independent Director

Practicing Chartered Accountant and is a senior partner with T.P Ostwal and Associates LLP



**Pradeep Poddar**  
Independent Director

IIM-Ahemdabad Alumni  
Currently on the Boards of Monsanto India Limited, Welspun India Limited, and Uflex Limited.



**Hiroo Mirchandani**  
Independent Director

Business career of 30+ years. A Chevening Gurukul Scholar from the London School of Economics. Held leadership roles at Dabur, World Gold Council & BPL Telecom

# Leadership Team - Key Management

- Blend of Entrepreneurial and Professional Management
- Professionals with Prior Experience in Vedanta, Tata Group, Unilever, Havells, Bajaj, SRBC & Co, Crompton, etc.
- Vision to Execute Strategies in a Dynamic Environment
- Extensive Relationships and Deep Business Understanding



**Bharat A Jaisinghani**  
Director – FMEG Business (Non-board member)



**Nikhil R Jaisinghani**  
Director – LDC Business (Non-board member)



**Anil Hariani**  
Director – Commodities (Non-board member)



**Manoj Verma**  
Executive President & Chief Operating Officer (CE)



**Anil Shipley**  
Executive President and Chief Supply Chain Officer



**Gandharv Tongia**  
Chief Financial Officer



**Sanjeev Chhabra**  
President (Treasury)



**Anurag Agarwal**  
President (Strategic Initiatives & New Businesses)



**Shashi Amin**  
President (Cables)



**Suresh Kumar**  
President (Strategy & Human Resources)



**Sandeep Bhargava**  
President (Procurement)



**Diwaker Bharadwaj**  
President (Packaging)



**Vijay Narayanan Ananthanarayanan**  
President (Strategic Marketing)



**Vivek Khanna**  
President (Accounts and Information Technology)



**Kunal I Jaisinghani**  
Head – Agri Products



**Sai Subramaniam Narayana**  
Company Secretary and Compliance Officer

*Note: Designations as on 30 June 2020*

# Our Social Responsibility – A Philosophy of Empathetic Care

## Community



Promoting **efficient farming** through sessions on soil testing & model farms

**Women oriented skill training** & creation of self help groups

**Deeping of water reservoirs** under Gujarat Government initiated “Sujalam Sufalam” programme in villages of Asoj, Bodidra & Waghodia were deepened

## Infrastructure



Construction of **toilets and providing clean drinking water** in Gadhmahuda, Chachariya & Govindpuri village

**Improvements in school infrastructure** in Chachariya & Baska villages

## Education



**Leadership Enrichment for Adolescence through Assessment & Development (LEAAD)** programme organised, students exposed to leadership building qualities

**Study Science, Technology, Engineering & Mathematics (STEM)** Laboratory set up for students to learn practical aspects of education

## Health



**Mobile Medical Unit** offering services like OPD, medicines, health talks, camps & counselling in interiors. On an average 90 to 100 patients/day take advantages of these services

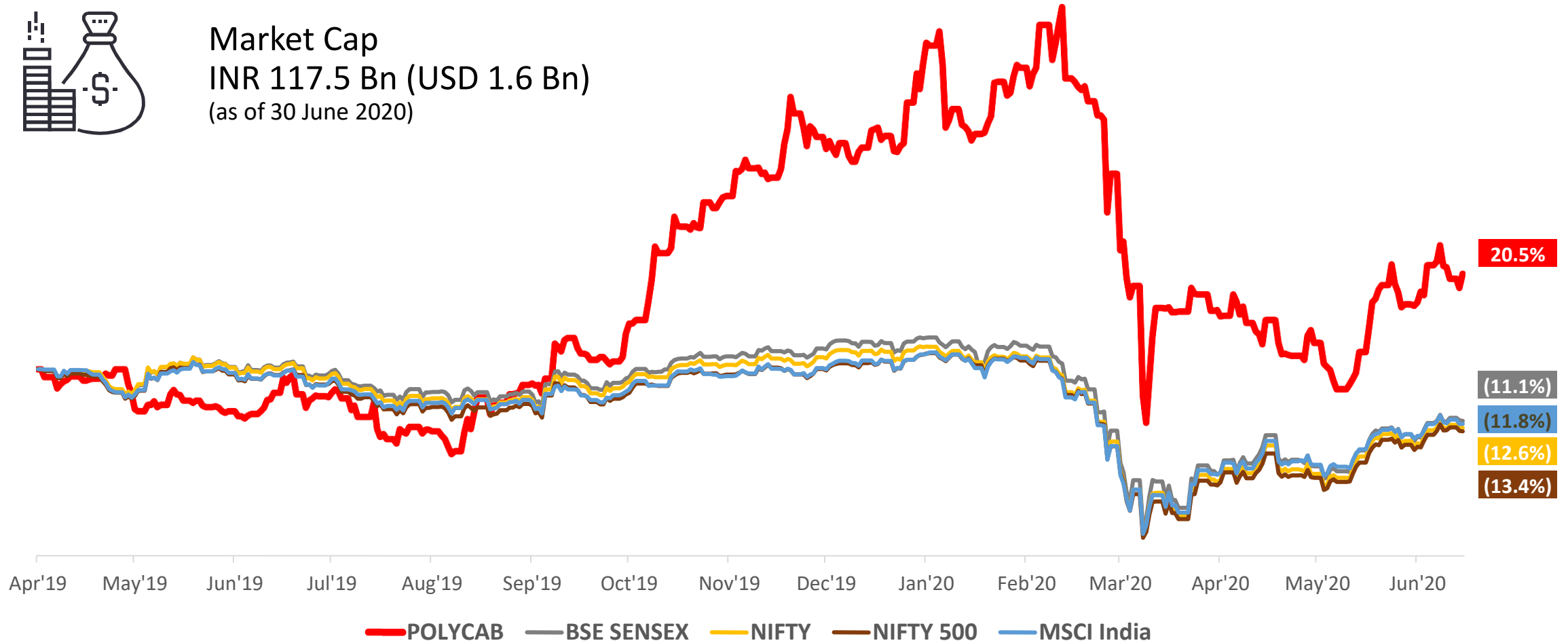
Jointly conducted **breast tumour detection camp** with Shree Halol Stree Samaj

**Health camps** in Mota Sandhiya, and Jalariya villages

# Enhancing shareholder value



Market Cap  
 INR 117.5 Bn (USD 1.6 Bn)  
 (as of 30 June 2020)



Market Cap in USD calculated using USD INR spot rate of 75.8

# 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 on the basis of 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

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