



# Dynamic Cables Limited

(Govt. Recognized TWO STAR Export House)  
(An ISO 9001:2015, 14001:2015 & 45001:2018 Company)

Date: 03.02.2025

To,

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001

**Scrip Code: BSE-540795**

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1  
G-Block, Bandra-Kurla Complex,  
Bandra(East) Mumbai-4000501

**Trading Symbol: DYCL**

**Sub: Transcript of the Conference Call For Financial Results for Quarter and Nine Months ended on December 31, 2024**

Dear Sir/ Madam,

In continuation to our letter dated January 23, 2025 and January 28, 2025 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed transcript of the conference call held on Tuesday, January 28, 2025 to discuss the financial results for Quarter and Nine Months ended on December 31, 2024

The transcript is also available on the Company's website at <https://www.dynamiccables.co.in/transcriptconcallQ3FY25.pdf>

This is for your information and records.

Thanking you,

Yours faithfully,

For **Dynamic Cables Limited**

**Naina Gupta**  
Digitally signed  
by Naina Gupta  
Date: 2025.02.03  
14:41:14 +05'30'

**Naina Gupta**  
**Company Secretary and Compliance Officer**

M. No. A56881

Encl.: as above



**CIN: L31300RJ2007PLC024139**

Regd. Office & Unit-1: F-260, Road No.13, VKI Area, Jaipur-302013 (INDIA)  
Tel: +91 141 2262589, 4042005 | Fax: +91 1412330182; Email: info@dynamiccables.co.in



# “Dynamic Cables Limited Q3 FY-25 Earnings Conference Call”

**January 28, 2025**



**MANAGEMENT: MR. ASHISH MANGAL – MANAGING DIRECTOR,  
DYNAMIC CABLES LIMITED  
MR. MURARI LAL PODDAR – CHIEF FINANCIAL  
OFFICER, DYNAMIC CABLES LIMITED  
MR. GOVIND SABOO – IR ADVISOR, DYNAMIC CABLES  
LIMITED**

**MODERATORS: MS. NATASHA JAIN – PHILLIP CAPITAL (INDIA)  
PRIVATE LIMITED**

**Moderator:** Ladies and gentlemen welcome to the Dynamic Cables Limited Q3 FY25 earnings conference call hosted by Phillip Capital (India) Private Limited.

As a reminder all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '\*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Ms. Natasha Jain from PhillipCapital. Thank you and over to you.

**Natasha Jain:** Thank you and good evening, everyone. On behalf of Phillip Capital I, Natasha Jain, welcome all of you to the 3rd Quarter Earnings Conference Call of Dynamic Cables Limited.

From the Management we have Mr. Ashish Mangal – Managing Director, Mr. Murari Lal Poddar – Chief Financial Officer and Mr. Govind Saboo – IR Advisor.

I would now like to hand over the call to the management for their opening remarks, post which we will open the floor for Q&A. Thank you and over to you sir.

**Ashish Mangal:** Good evening, everyone. I Ashish Mangal – MD of Dynamic Cables, welcome you all to the Earnings Call and first of all thank you all for showing faith and confidence in Dynamic Cables.

I am pleased to report that Quarter 3 and 9 months FY25 Dynamic Cables has delivered another set of strong and consistent performance, achieving our highest ever revenue and profits. This milestone reflects our commitment to our meticulous execution and compliance framework. Our strong order book reflects the trust and confidence our customers have in our capabilities reaffirming our solid market presence. We are confident that our new growth areas will serve as firm foundation for driving sustained growth. Our focus on financial discipline has yielded positive results, enabling us to achieve a meaningful reduction in Company's overall debt. Simultaneously, our capacity debottlenecking initiatives have enhanced our production efficiency and ensured that we are well prepared to meet our supply schedules.

Looking ahead we are positive on the long-term growth opportunity within the power infrastructure investments, driven by strong tailwind related to rural electrification, renewable energy supplies, underground cabling and migration to high voltage lines to cater the increased per capita power consumption. Power distribution has attracted large investments from private sector in last decade which has been beneficial for us due to our long-term association with large private corporate groups active in our space. Our robust order book should ensure the momentum of sustained growth and create consistent value for all our stakeholders.

Coming now to capacity expansion plan:

I would like to highlight that our ongoing capacity expansion plan is moving as per schedule and is on track to be operational by Q2 FY26. Now before closing, I would like to welcome all of you to the ELECRAMA 2025 which is happening in February 22 to 26 at Greater Noida in Expo Center.

Now I would like to hand over to our CFO for discussing the financial update.

**Murari Lal Poddar:**

Good evening, everyone.

We are delighted to report our highest ever 9-month revenue and record order book. In 9-month FY25 sales grew by 32% over 9-month FY24 with operating margin rising 37% to INR 71.2 crores. Operating margin was stable at 10.3% in accordance with our long-term guidance and PAT increased by 72% to INR 41.2 crores surpassing FY24 profits, reflecting our strong financial performance.

Customer wise contribution in 9-month FY25 was government sales 23%, private sales 71% and export 6%. Product wise contribution 9-month FY25 for HV sales 61%, LV cables 29%, railway signaling cable 5%, conductors 5%. As of 31<sup>st</sup> December 2024 our order book stands at INR 682 crores providing strong revenue visibility.

Thank you and we are now open for questions.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Piyush Sevaldasani from Sundaram Alternates.

**Piyush Sevaldasani:**

My first question is on the capacity. If you could help me understand that we had a CAPEX of around 35 crores. If you can provide an update on that how is that panning out? Do we expect that to commission by 2nd Quarter? And also, with the debottlenecking which we have announced, what kind of revenue are we looking at in FY26? Can we touch something like 1250 crores in FY26? And also, if you can help us with what kind of revenue you are targeting in FY25.

**Management:**

So basically, first question regarding the CAPEX, that is going on track, and the machines have been ordered and all the vendor selection, technical specifications, everything is frozen. So, the implementation would take another 6 months or so and by Q2 we would be ready with a new capacity. We should provide a healthy, I mean the capacity would be available for the entire quarter from Q3 onwards. That is what the plan is. Regarding the debottlenecking, so just to the revenue support which the existing plant used to give us was around 950-1,000 crores earlier. Now since this plant was implemented in phases since 2017, so there was the entire coordination of machines and some digitization efforts and technical upgradations, we expect, and we have done a trial run for last 2 months post all these modifications in the plant and we expect that it can now give us annual turnover of around 1,150-1,200 crores approximately somewhere here and there.

- Piyush Sevaldasani:** Have we done any CAPEX for this debottlenecking?
- Management:** Not much. It was not a purchase of new machinery or some additional building which was set up. It was just reorganizing the existing plant layout.
- Piyush Sevaldasani:** What kind of growth are you envisaging for FY26? Can we reach something like 1,300 crores?
- Management:** Look I mean, we don't give a guidance as such but if you look at our last 7-8 years history, we have our cable business has grown by upward of 20% CAGR. So, for next 3-4 years, 5 years I don't think that this trend should discontinue. That is what we have always maintained. A quarter-on-quarter or year-on-year is difficult to predict you know how things are. So, we don't generally give any quarterly or yearly guidance.
- Piyush Sevaldasani:** Just wanted to know any plans for CAPEX for growth beyond FY26?
- Management:** So, the existing CAPEX will be done by Q2 and post that we have a land near to our existing plant around 15,000 square meters of land is there, land parcel is available within the Company where the next phase of expansion should kick in.
- Piyush Sevaldasani:** So, have you decided on the size, any CAPEX plans?
- Management:** Not yet because the current focus is basically to execute the current expansion as fast as possible.
- Piyush Sevaldasani:** Just few bookkeeping questions from my side, if you can help me with what is the working capital days currently?
- Management:** Currently it would below 100 days.
- Piyush Sevaldasani:** Any updates on the new products, solar cables or any updates on the entry to the US market?
- Management:** So, from the renewable side there has been a significant progress. We have a very good traction in terms of order book in terms of our revenue contribution from the renewable solar side and on the US side I think we are in the process of getting the approvals. The approval process is a bit lengthy there. But parallely we are developing the sales team also, once we get the approvals then we can hit the market as soon as possible.
- Moderator:** The next question is from the line of Naman Parmar from Niveshaay Investments Private Limited.
- Naman Parmar:** So firstly, I wanted to understand on the export side how much it was contributed by the export in the current quarter and how is the growth in the export and which country has shown major growth?

**Management:** So, the overall 9-month contribution was around 6% from the export side. It was not as there was a bit degrowth in the export side and the basic reason are twofold largely. One is that there are in the countries where we deal are African and Asian countries, where we were facing some currency issues. So, we did not want to take any exposure or risk of exporting the goods. And secondly the domestic tailwinds are very strong. So, the focus was also more towards domestic as export is an adjacent market or an alternate market for us. But I think the order book is very healthy on the export side. We have around unexecuted orders of around 70-75 crores on the export side. So, we should be able to make up in the coming quarters and maintain the guidance of around 10% or somewhere around 10% of our contribution from the export side. And we are quite upbeat on the new US market also. So, whenever it clicks it will further increase our contribution in the overall revenue segment because that will be an added to our existing markets.

**Naman Parmar:** And secondly on the capacity side overall in the industry, don't you think there can be over capacity type of situation in the coming next 1 or 2 years, if Polycab is coming with the major CAPEX, KEI is also coming with a big CAPEX, all are going to live by Q3 or Q4. And even though there is a very good demand on the transmission side but how much work has been completed on the transmission side? You can help me understand how the industry is being means evolving now currently and what's your outlook on the industry?

**Management:** So, we are not on the transmission side we are on the distribution side.

**Naman Parmar:** I did understand. But overall, on transmission and distribution, on distribution side you can help me understand.

**Management:** I mean our experiences are more towards distribution which we can share. Transmission is, I mean we have business we are more connected with the distribution side of the entire supply chain. So, I think there are 3-4 very drivers which are very unstoppable I should say. One is that the migration from low voltage to high voltage because of increase in per capita power consumption, that is inevitable. Otherwise power being a necessity item. Nobody can risk that disruption in the power supply. Second is the rural electrification. Again, it's really because all the transmission side work of the rural electrification may be done but within the town or the city or the village or wherever the transmission substations have been set up, from there the internal distribution is very critical. Thirdly I think this entire EV infrastructure and the entire renewable infrastructure, especially on the solar side, these are very big triggers. Fourthly, I would say the underlying underground cabling, that phenomena from overhead to underground that is also lagging behind a lot from the government angle. So, the demand is immense I should say at least for the next 20 years, leave around 2 years, 3 years, 5 years. But for the next 20 years the demand is immense.

**Naman Parmar:** And on the product side you have any new products that were coming for the data center semiconductor, you were telling to enter that particular market? And also, for the wind energy, how much good attraction is there, any product is there to supply to the wind energy? Because

we are supplying DC cable for the Solar, I understand but any product for the wind because there is a good execution on the wind side also. So, what's the take on that?

**Management:** So basically, all these products are under development and at various stages of development. Some of the products are under the approval stages. So, they need to be technically tested and approved by a lot of sophisticated agencies and all those things because they are exposed to various natural things, sun and wind and all those things. So, they have to be technically very robust and therefore they require lot of approvals and type testing to be done. So, they are all under process. On the renewable side, solar side we have already cracked a lot of customers and we have a healthy order book on the renewable side also. And so gradually things will come up. We have to wait a little.

**Naman Parmar:** So, can you just give the order book breakup like you have said 75 crores from export, then renewable and all, other government private will be how much?

**Management:** So, we don't generally give the breakup because 70-75 crores are export and renewable would be around 100 crores and balance are all power distribution. Domestic power distribution.

**Naman Parmar:** Rest will be domestic and distribution.

**Moderator:** Next question is from the line of Aniket Nikumbh from ABN Capital.

**Aniket Nikumbh:** First, I had a clarification question. It's written in your filings that you've done some debottlenecking which is increasing the revenue capacity from 950/1,000 crores to 1,100 or 1,150. And then we're also doing a CAPEX on top of that for around 35 odd crores. So, by Q2 next year what would be the total capacity that we would have? If you can just clarify that these are two separate things.

**Management:** So basically, from the existing plants, now we can do whatever 1,150 odd crores kind of capacity or the existing plant or the setup can support a revenue of around 1,150 odd crores. That is what the indication is and we typically do 6X our gross block. So, with the 35 crores CAPEX which we are doing, it is planned to be done another 200 crores of capacity would add on to it. So, this is what the capacity or the capacity you can say is readily available with us.

**Aniket Nikumbh:** So, these are two separate things, so, therefore combine the capacity.

**Management:** Yes, these are two separate things. The existing plant is 1,150 plus a new CAPEX which is being undertaken. That is another 35 crores which will give a visibility of capacity of another 200 crores.

**Aniket Nikumbh:** My other questions are maybe a little bit in continuation with the previous question was, can you give a little bit of commentary on what's the demand scenario like in terms of what you're seeing in the market? Because obviously our order book is continued to grow. So can you tell

us which are the sort of big customers you are having and where are you seeing pockets of demand?

**Management:** On the demand side, our order book actually is the best testimony or the best indicator of the demand. So last December, we closed the order book at 580 crores and this year we are closing it at around 680 crores. I mean the order book itself mentioned or keeps the demands in – As I told you that on the renewal side which we have added on, that is giving us an additional revenue driver. That is an additional revenue driver for us and our distribution which is a core area core business area, that is also a lot of demand is there because of the reasons which have already been spoken about. On the customer side, I would not be able to name the customers that we deal with. But I can just tell you that we are dealing with all the large I mean majority or the contributions from the large corporate EPC players and private DISCOMs. These are the two large customer bases for us. So, people who are undertaking turnkey projects, that is our customers and all the private DISCOMs, they are large. So, we do direct government business is very low as compared, 80% of our business comes from the private clientele.

**Aniket Nikumbh:** And can you also tell us a little bit about how are you able to achieve a very tight band of margins. So, what sort of raw material price protection do you typically get in your contract?

**Management:** So entire raw material variation is pass on for us.

**Aniket Nikumbh:** And is there like a lag for that, like 3-6 months?

**Management:** No lag. Real time basis. Increase also and decrease also on both the sides.

**Moderator:** The next question is from the line of Gourav Gumber from Taurus Mutual fund.

**Gourav Gumber:** My question is what is the revenue breakup in terms of retail sales and institutional sales?

**Management:** 100% institutional. We are a pure play institutional guys basically.

**Moderator:** The next question is from the line of Rohit Tiwari from Finvestors.

**Rohit Tiwari:** My question is that can any effect on revenue which we plan coming from the data center after the black swan event of DeepSeek?

**Management:** Data centers, currently there is no contribution from data centers. These are the new products which are under development and which we will launch in the future. So just to clarify on your doubts or on your question.

**Rohit Tiwari:** Next question is that what are we doing of fundraise?

**Management:** So, fundraise basically, it's a usual mix of working capital and CAPEX. We are doing around 35 crores of CAPEX from the fundraise and balance will be used to fund our working capital.



- Moderator:** The next question is from the line of Natasha Jain from Phillip Capital.
- Natasha Jain:** My first question is on the export side. I understand your contribution is low at the moment but you mentioned that you are upbeat about that market. Obviously, it's a high margin market. So I just want to understand in terms of products in terms of approvals where are we, have we put a foot in the door, how far you know since we can export to the US market? That's the first question.
- Management:** So, Natasha two things are there. One is that the countries where we are exporting today are Asian and African countries. So, their margins are on the similar lines only. But the working capital cycle is more efficient. So that is one part of the piece. And the second part of the thing is, that amongst the more regulated markets North American market is the next target. So, in those market on the approval side, we have got one product approved and couple of more products are under pipeline. So, once we have a bouquet of products available, we can hand over, I mean our sales team can hit the market and get the distribution done. We have already set up in the parallel while the approvals are taking place. We have already set up an exclusive sales team for the US market. So that is also under process. I mean that is also working alongside. And that is difficult for us also honestly.
- Natasha Jain:** Not a problem sir not a problem. So, you mentioned in your last answer to a participant that you're a completely B2B player. So, what we've understood is at least in the domestic side, B2C is a higher margin business than a B2C operation or if you go through the distributor mode rather than directly going institutions. So, can you throw some light on this that, is this understanding correct and do you plan to therefore venture into the distribution channel rather than a complete B2B?
- Management:** We don't have any comparison honestly. So, it may be the experience may be different from different players. So, for us we have always been a pure play B2B player since right since the inception. And in terms of our outlook, I think we believe that lot needs to be explored on the B2B side for us before venturing into B2C. Once the growth prospects exhaust in B2B market I think then probably we can venture into B2C there or somewhere like that. So, this is what the thought process is honestly as of now.
- Natasha Jain:** In terms of B2B if it will be possible for you to call out, what are the kind of products that you're specifically supplying and to your specifically larger customers if you can name some of them?
- Management:** So, customer names we don't give but product names actually we have given the key products in our presentation also. These are all high voltage cables, low voltage cables, different variety of cables, multi-voltage conductors, covered conductors. So, these are the few specifications, they are all given in our presentation.

- Natasha Jain:** Are we also into wires? Because I don't see that split and wires obviously being a higher margin business domestically.
- Management:** We are not into wires because wires is again the distribution B2C. That kind of requirement is there for the wire business.
- Natasha Jain:** And in terms of copper exposure, do we hedge it like it's back-to-back?
- Management:** Very less, our copper exposure is very less, number one and number two further it is a price variation. So, it's a pass through any variation in copper or aluminum.
- Natasha Jain:** Lastly, can you help us understand what was your governmental exposure over the years, say 2 years prior versus today and where do you see this going? Are you planning to decrease your governmental exposure or the current figure that you've given is where we land up?
- Management:** So, 5 years back or I think 7-8 years back it was very high. It was I think 80% government and 20% private. Now it is completely inverse, 20% is private and 80% is government. And it has continued for last 2-3 years. This mix has continued for last 2-3 years. And this 20% is also very important and required. Maybe it can go down to 15% over a period of time. But some amount is required to get to carry the approvals and to have the interactions, engagements with the approval authority because ultimately end user is government only.
- Moderator:** The next question is from the line of Khadija Mantri from Capri Global.
- Khadija Mantri:** My question again is on the exports, in the order book of last quarter that is 595 crores, how much was the export portion? So, I'm just trying to gauge that at least our order book has improved QOQ, even though we have not done much on the sales front.
- Management:** I will need to come back on the order book if you have anything else. In the meantime, we are pulling out the number. If you have anything else we can start discussing that.
- Khadija Mantri:** And also, because the slowdown in export sales, was it because of the freight rates and that is the reason that we have delayed our dispatches?
- Management:** In the export side?
- Khadija Mantri:** Yes.
- Management:** So, there was some currency availability challenges in some of the countries, African countries and we only work on the advanced payments, so that is why I mean there are some delays.
- Khadija Mantri:** And also the product that you have got UL approval for in the North American markets, does it reflect in the 75 crores export order book that you just mentioned?

- Management:** No, that is not included. That order has not yet started.
- Khadija Mantri:** By when can you expect the orders to close or the product?
- Management:** The approval process is, I mean the exact timelines are difficult because it's a lengthy process and complicated process. So let us see. I think in next two quarters, we'll have more clarity on that business piece.
- Khadija Mantri:** 100 crores renewable order book. So, we will be executing all the orders in our current plant or maybe some of that will be executable when the new plant comes up. I mean the extension of the new facility comes up in Q2 FY26?
- Management:** No, they would be executed in next 6 to 9 months, over a period of next 6 to 9 months.
- Khadija Mantri:** For renewable cables will we have to peak our production process a bit or we are good to go?
- Management:** Every cable the production process is different because every order is a customized order, that is why. The basics remain the same. But there is customization in the processing.
- Khadija Mantri:** So, with the available capacity and whatever the efficiencies we have, we should be able to deliver this 100 crores order?
- Management:** Not necessarily, entire 100 crores will be executed in this year. There may be some spillover to next year also. As the demand offtake or as the QC gets clear the things would be dispatched and as per the delivery schedules, we will be planning our production. Just on your first question regarding Export as on the 30<sup>th</sup> September it was around 80 crores.
- Khadija Mantri:** There has been a decline in the export order book quarter-on-quarter?
- Management:** It's not a quarterly phenomenon which needs to be kind of looked at. So we'll make it.
- Khadija Mantri:** But then YOY, there has been an increase.
- Management:** Yes. There can be some variation here and there, so nothing much in that.
- Khadija Mantri:** No, I thought you were explaining something.
- Management:** So, I'm saying that quarter-on-quarter there can be variation because a lot of factors playing. Since the availability of demand, the currency, all these things do play a very important role in their utilities also.
- Moderator:** The next question is from the line of Pranay Shah, an individual investor.

- Pranay Shah:** I have few questions. So, we see that the government CAPEX has mainly seen a sort of slowdown over these quarters. So, do we see any impact of the same in the forthcoming quarters on the domestic demand? Like are we likely to see any slowdown in the domestic demand ahead?
- Management:** So, till now at least in our segment of whatever government is spending in power distribution side, we have not experienced any slowdown. There may be, I mean we can't comment on other sectors of government spending but on the power distribution side, lot of funds have already been pre-allocated and demand is very robust. Even the same can be experienced or can be observed through our order book position which has increased Q-on-Q and mostly it is driven by the domestic factors only. So, in Q3 our order book was around 580-595 crores. It has increased to 680 crores. So there has been incremental order of 100 crores which is 100% driven by the domestic business. So, the phenomena or our experiences is that we have not experienced or observed any slowdown in our specific segment.
- Pranay Shah:** Regarding the revenue concentration. So, what would be our you know revenue concentration of your top 5 or top 10 customers now?
- Management:** Top 5 buyers comprise of around 30% of our sales and top 10 buyers comprise around 50% of our sales. These names keep on changing. This quarter if some name is reflecting, the other quarter that some other name maybe may be reflecting.
- Pranay Shah:** In the fourth quarter being a seasonal quarter, how does your execution look currently?
- Management:** Fourth quarter is obviously the heaviest quarter in our industry and it's an industry wide phenomenon and we have to gear up for meeting our supply schedules in the Q4. So, it has been a every year phenomena for us. So, nothing new honestly.
- Pranay Shah:** What has been our CAPEX incurred in this over this 9-month period, overall CAPEX incurred?
- Management:** Overall CAPEX incurred. I will just pull out the number. 20 crores.
- Pranay Shah:** And we must be operating at somewhere around 80%-90% utilization levels?
- Management:** Yes, 85% around.
- Pranay Shah:** Regarding US, we are currently under approval. We have just received one product approval. But let's just say that we received all the new approvals which are necessary. What do you think would be the margins in the US? Will it be greater than our other export geographies? Because typically US export margins are higher for cables when you compare it with other export geographies. So, are we likely to see the same going ahead?

- Management:** Very difficult to comment because we have to do a bit test before giving any commentary on the margins.
- Pranay Shah:** And what would be our railway cable contribution in the current quarter?
- Management:** 5%.
- Pranay Shah:** We're trying to maintain it in the full financial year, right?
- Management:** We'll try basically.
- Moderator:** Thank you very much. Ladies and gentlemen, that was the last question for today's call. I now hand the conference over to Natasha Jain from Phillip Capital for closing comments.
- Natasha Jain:** Thank you and sir I would like to hand over the floor again back to you if you have any closing comments.
- Management:** Thank you all those investors and various fund managers and thank you for all the questions and if there are any other questions you can always email us. We will try to answer that. Thank you everyone.
- Moderator:** Thank you. This concludes the conference. Participants may now disconnect their lines.