

POLYCAB INDIA

RESULT FLASH



KEY DATA

Rating	BUY
Sector relative	Outperformer
Price (INR)	6,886
12 month price target (INR)	7,950
52 Week High/Low	7,607/4,555
Market cap (INR bn/USD bn)	1,036/12.0
Free float (%)	73.8
Avg. daily value traded (INR mn)	2,307.4

SHAREHOLDING PATTERN

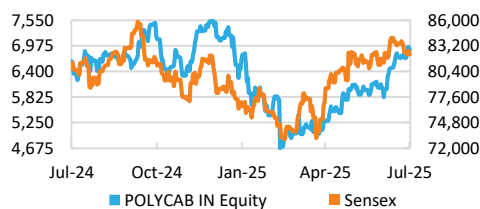
	Mar-25	Dec-24	Sep-24
Promoter	63.1%	63.1%	63.2%
FII	11.1%	12.8%	13.5%
DII	25.8%	24.1%	23.4%
Pledge	0.0%	0.0%	0.0%

FINANCIALS

(INR mn)

Year to March March	FY25A	FY26E	FY27E	FY28E
Revenue	224,083	272,984	326,952	388,651
EBITDA	29,602	37,965	44,809	53,854
Adjusted profit	20,200	26,048	30,131	36,367
Diluted EPS (INR)	134.3	173.2	200.3	241.8
EPS growth (%)	13.1	29.0	15.7	20.7
RoAE (%)	22.4	24.1	23.2	23.5
P/E (x)	51.2	39.7	34.3	28.4
EV/EBITDA (x)	34.6	27.1	22.9	18.9
Dividend yield (%)	0.4	0.6	0.7	0.9

PRICE PERFORMANCE



1QFY26 Call details

Date: 18th July 2025

Time: 1200 hrs

Dial in: +91 22 6280 1443

[Diamond Pass](#)

Blockbuster quarter; C&W outshines

Company reported all-round beat on performance with consolidated revenues/EBITDA/PAT grew by 26%/47%/50% respectively beating our estimates by 2%/13%/18% respectively. C&W grew by 33% YoY, with cables outgrowing wires growth (thus implying mid-twenties volume growth, in our estimate) with near record high EBIT margins at 14.7% (+210bps YoY) on the back of strategic price adjustments and operating leverage. Despite weak fans growth, FMEG revenue grew 18% YoY while margins rose 280bps YoY to 2.1%.

We have a BUY rating on the stock with a TP of INR 7,950. Expect other cables and wires companies too post strong earnings for 1Q, partially aided by low base (execution impacted by General Elections)

Q1FY26 Financial Performance

- Consolidated revenues grew by 26% YoY (6 yr CAGR 20%) beating our/consensus estimates by 2%/5% respectively. Growth was on the back of robust performance in W&C business, supported by healthy growth momentum in FMEG.
- Wires & Cables segment revenues grew by 33% YoY (6 yr CAGR 21%) on the back of sustained demand across core sectors. The domestic business grew by 32% YoY, with cables growth outpacing wires. Both channel and institutional business showed healthy traction. The international business grew 24% YoY albeit on a low base and accounted for 5.2% of the topline. C&W segment EBIT margins expanded by 210bps YoY to 14.7% aided by strategic price adjustments and operating leverage.
- FMEG revenues grew by 18% YoY (6 yr CAGR 11%) on the back of healthy growth momentum. While fans witnessed a muted performance (shorter summer season), categories like lights, switchgears, switches, and conduit pipes & fittings delivered respectable growth. Solar products sustained their robust growth trajectory, clocking more than 2x YoY growth. EBIT margins stood at 2.1% (second consecutive quarter of profitability) driven by shift to premiumisation and operating leverage. Others segment revenues declined by 33% YoY with margins contracting by 330bps.
- EBITDA grew by 47% beating our/consensus estimates by 13%/15% respectively with margins expanding by 210bps to 14.5%. PAT grew by 50% YoY to INR 5.9bn and was 18% above our estimates.
- Key questions: a) Volume growth and margins in cables/wires and outlook, b) exports scenario, particularly on tariffs in USA, c) FMEG growth/margins outlook.

Quick Take:

INR mn	Q1FY26	Q1FY25	YoY	Q4FY25	QoQ	Q1FY26E	Deviation
Net Sales	59,060	46,980	26%	69,858	(15%)	58,037	2%
EBITDA	8,576	5,834	47%	10,254	(16%)	7,570	13%
PAT	5,921	3,960	50%	7,267	(19%)	5,015	18%

Exhibit 1: Quarterly Performance

INR Mn; Y/E March	1Q25	1Q26	YoY	6-year CAGR	4Q25A	QoQ
Revenue	46,980	59,060	26%	20%	69,858	-15%
Wires & Cables	39,421	52,286	33%	21%	60,191	-13%
FMEG	3,855	4,542	18%	11%	4,760	-5%
EPC	5,194	3,474	-33%	19%	6,028	-42%
Cost of RM Consumed	35,415	43,188	22%	20%	52,053	-17%
Gross Profit	11,565	15,872	37%	20%	17,805	-11%
Gross Margin	24.6%	26.9%	230 bps	0 bps	25.5%	140 bps
Employee Costs	1,539	2,189	42%	16%	2,036	7%
% of sales	3.3%	3.7%	40 bps	-100 bps	2.9%	80 bps
Other Expenses	4,192	5,107	22%	16%	5,515	-7%
% of sales	8.9%	8.6%	-30 bps	-200 bps	7.9%	80 bps
Total Expenditure	41,146	50,484	23%	20%	59,604	-15%
EBITDA	5,834	8,576	47%	25%	10,254	-16%
EBITDA Margin	12.4%	14.5%	210 bps	310 bps	14.7%	-20 bps
Depreciation	671	857	28%	14%	804	7%
EBIT	5,163	7,719	50%	27%	9,450	-18%
Wires & Cables	4,967	7,683	55%	27%	9,090	-15%
% margin	12.6%	14.7%	210 bps	330 bps	15.1%	-40 bps
FMEG	-28	95	-441%	1%	19	399%
% margin	-0.7%	2.1%	280 bps	-160 bps	0.4%	170 bps
Other Income	584	799	37%	34%	481	66%
Finance Costs	413	513	24%	37%	325	58%
XO (Income)/Expenses	0	0			0	
Profit Before Tax	5,334	8,006	50%	25%	9,606	-17%
Tax Expense	1,317	2,009	53%	19%	2,262	-11%
Tax Rate	24.7%	25.1%	40 bps	-950 bps	23.5%	150 bps
Reported Net Profit	3,960	5,921	50%	28%	7,267	-19%
Reported EPS	26.4	39.4	49%	28%	48.3	-19%
Adjusted Net Profit	3,960	5,921	50%	30%	7,267	-19%
Adjusted EPS	26.3	39.4	49%	29%	48.3	-19%

Source: Company, Nuvama Research

Exhibit 2: Segmental Performance

INR mn	1Q25	1Q26	YoY	6-year CAGR	4Q25A	QoQ
Total Revenue	47,181	59,246	26%	20%	69,921	-15%
Wires & Cables	39,421	52,286	33%	21%	60,191	-13%
FMEG	3,855	4,542	18%	11%	4,760	-5%
Others	5,194	3,474	-33%	19%	6,028	-42%
Inter-segment	-1,289	-1,057	-18%	25%	-1,058	0%
Total EBIT (ex unallocable)	5,364	7,905	47%	25%	9,513	-17%
Wires & Cables	4,967	7,683	55%	27%	9,090	-15%
FMEG	-28	95	-441%	1%	19	399%
Others	572	268	-53%	14%	564	-53%
Inter-segment	-147	-140	-4%	NM	-160	-12%
EBIT Margin	11.4%	13.3%	200 bps	290 bps	13.6%	-30 bps
Wires & Cables	12.6%	14.7%	210 bps	330 bps	15.1%	-40 bps
FMEG	-0.7%	2.1%	280 bps	-160 bps	0.4%	170 bps
Others	11.0%	7.7%	-330 bps	-200 bps	9.4%	-170 bps

Source: Company, Nuvama Research

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Abneesh Roy

Head of Research Committee

Abneesh.Roy@nuvama.com
