



Finolex
Cables Limited
AN IS/ISO 9001 CERTIFIED COMPANY

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18th November, 2025

Corporate Relations Department BSE Limited 1st Floor, New Trading Ring Rotunda Building, P J Towers Dalal Street, Fort Mumbai – 400 001	The Manager Listing Department National Stock Exchange of India Ltd 'Exchange Plaza', C-1, Block G, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051
Scrip Code: 500144	Scrip Code: FINCABLES

Sub: **Transcript of the Analysts/Investors Meet held on 14th November 2025 at 4.00 PM.**

Ref: **Regulation 30 read with Clause 15(a) of PART A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/Madam,

Pursuant to the above referred Regulation, please find attached the Transcript of the Analyst/Investor Meet held on 14th August, 2025 at 4.00 pm (IST) to discuss financial results of the Company for the quarter ended on 30th September, 2025.

The transcript of recording can also be accessed on the Company's website at <https://www.finolex.com/View/Page/Analyst-meeting-transcript>.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For FINOLEX CABLES LIMITED

Gayatri Kulkarni
Assistant Company Secretary
& Compliance Officer

Encl.: As above

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“Finolex Cables Limited Q2 & H1 FY '26 Earnings Conference Call”

November 14, 2025



**MANAGEMENT: MR. MAHESH VISWANATHAN – DEPUTY CHIEF
EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER,
FINOLEX CABLES LIMITED**

**MODERATOR: MR. PRATIK PATIL – DENTSU CREATIVE PR,
INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to the Q2 and H1 FY '26 Earnings Conference Call of Finolex Cables Limited.

As a reminder, all participant 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 this conference call, please signal for an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Pratik Patil from Dentsu Creative PR - Investor Relations Team. Thank you, and over to you, sir.

Pratik Patil: Thank you, Mark. Good evening and thank you all for joining us on Finolex Cables Limited Q2 and H1 FY '26 Earnings Conference Call.

Today we have with us Mr. Mahesh Viswanathan – Deputy Chief Executive Officer and Chief Financial Officer from Finolex Cables Limited.

We will begin the call with the opening remarks from the Management, after which we will have the forum open for the interactive Q&A session.

I must remind you that the discussion in today's earnings call may include certain forward-looking statements and must be viewed, therefore, in conjunction with the risk that the company faces. Please restrict your questions to the quarter's performance and to strategic questions only.

I would now request Mr. Viswanathan for the opening remarks. Thank you, and over to you, sir.

Mahesh Viswanathan: Thank you, Pratik and welcome to all the participants in today's conference. Very quick updates from my side. On the revenue side, we had a modest growth of about 5% for the quarter, and for the half-year, it was about 9%.

EBITDA levels for the quarter were pretty decent. Quarter was up by about 26%, and half-year up by about 19%. And PAT levels, for the quarter, we were above corresponding quarter by about 35%, and for the half-year, by about 21%.

If I get into the product segments, wires and cables, the quarter revenues were up by about 8%, and for the half-year, we were up by about 12%. I know that this is modest in comparison with many of our peers, but we do have certain business lines which were facing certain headwinds.

Agriculture, for instance, we had a very prolonged monsoon, and the applications around agriculture, the volumes were depressed. Building wire, in reaction to a kind of moderation in the real estate sector, the growth was more or less flat.

Where we did grow was on the industrial cables and solar applications. Auto is geared for growth in the future. Cables, we had a very good quarter, we grew volume by close to 60% in the quarter.

Commodity volatility continued during the quarter. We had to take one pricing action that was later in the quarter, towards the end of September. In the initial two months, there was a dip in the commodity prices, and then it suddenly surged towards the second half of August. From the second half of August, it has been climbing, and we took pricing action in September.

On the communication cable side, most product lines, the volumes were muted. BharatNet, I am sure you will have questions. We still do not have any meaningful contribution yet from the BharatNet business.

Fiber prices, again, were low, continued the trend from the previous quarter in this quarter as well that depressed the cable revenues. We understand that there is a sign of the fiber prices hardening. We are yet to see it, but we are waiting and watching it.

On the metal-based communication cables, like I said earlier, the volumes were muted, but that is more to do with contract negotiations. We have yearly contracts with the customers. Some of those contracts, we had to get into protracted negotiation, and we are recently closing with some of them. I think that catch-up will happen in the coming quarters.

Balance sheet, as always, has been strong. Working capital is reasonably well managed, slightly over a month of working capital is what we carry, I think there we are ahead of most of our peers in that sense.

On the CAPEX, we spent approximately INR 75 crores in the quarter, INR 100 crores for the half-year. Two of the major areas where the money was spent, two of the major programs was one on the preform plant which is ready. It is awaiting production trials which should start in the next couple of weeks.

And the fiber draw plant, the building is nearing completion, and the machines are expected any time so, once that is done, we hope to complete this by March end. Both the major spends that we had announced one year ago would then be completed by March '26.

With this, I open up the floor for questions.

Moderator: Thank you very much, sir. We will now begin the question-and- answer session. The first question is from the line of Vidit Trivedi from Asian Market Securities. Please go ahead, sir.

Vidit Trivedi: My first question is with respect to the top line. If we look at our peers, they are growing in the double digits, but if we look at our top line growth, it is quite muted. Where are we lacking on this? Any color on that?

Mahesh Viswanathan: In my opening remarks, if you remember, I said the growth was very modest this quarter. I also understand that some of our peers have done much better than us. The difference is in two major areas.

We are a rather small player on the cable side. Although we had a fairly good growth in the cable volumes in this quarter, our base there is relatively small. In a total market size of about INR 25,000 crores, we do approximately INR 200 crores - INR 250 crores. Whereas some of our peers are fairly big on that, and their focus is on that so, that is one big differentiator.

The second, like I mentioned, the prolonged monsoon also hit us on the agricultural applications. That application accounts for approximately 10% to 12% of our revenue, and that was really muted there. Good monsoons, good for the country, but not really good for us in that sense.

Vidit Trivedi: My second question is on the competition side. UltraTech in their recent con call have mentioned that they will be starting production in Q3. I mean, according to them, they must have started by now and by January next year, they are anticipated to get into the market. How are we planning for this? How are we planning for the competition from a new player?

Mahesh Viswanathan: Two major business houses have announced their intention to enter. One of them has been very specific about what their plans are while the other one has not yet spelled out their plans. But I think we have a brand. The brand is well entrenched across the country. At the retail end, I think we will remain a relevant player, and actions that are necessary, we will take to protect our turf, that is something that we will do.

Vidit Trivedi: And sir, what is the price hike during the quarter?

Mahesh Viswanathan: September, we took a 3% - 3.5% correction.

Moderator: The next question is from the line of Balasubramanian from Arihant Capital. Please go ahead.

Balasubramanian: Sir, net working capital days increased to 33 days in H1 FY '26 compared to 22 days in H1. And what could be the reasons for increase in net working capital days? Is this a new normal driven with a project business mix? Or when can we expect to be back to 2025 kind of levels? And what specific initiatives are in place to manage receivables from discounts and other utility clients?

Mahesh Viswanathan: Net working capital this quarter was slightly higher than the previous quarter. That is true. 33 days against the earlier numbers. But if you look at it, the major change was on the payable side, I think, the payables had come down drastically so that is a cyclical thing. It should correct itself once those payments are out.

On the receivable side, we are at, I think, 15 days. Inventory was slightly higher at 65 days, but that was also a planned exercise in the sense there were certain disruptions, close to some of our sites, and therefore we needed to carry additional inventories at that point in time.

Mahesh Viswanathan: You had a second part of your question, what is that? Can you repeat that, please?

Balasubramanian: What specific initiatives are in place to manage receivables from discounts and other utility clients?

Mahesh Viswanathan: When you are saying receivables from discounts, meaning going deep discounting on the sales. Is that what you mean?

Balasubramanian: Yes.

Mahesh Viswanathan: Look, when it comes to large projects or big-time customers, big builders, there will be a price differential between what you sell it at the retail level and what you sell it on the project side so, yes, one will have to moderate those. One will have to make sure that it still makes sense to the company in terms of while getting top line, you should not lose your bottom line as well. To that extent, I think we are careful, but it has to be a price which the market will bear so, we will have to be competitive at that stage. I think the process that we follow is bag the orders, but not orders at any cost.

Balasubramanian: On the communication cable side, I think EBITDA has declined nearly 51% year-on-year. And with the new preform facilities, I think it is expected to reduce cost, and what kind of improvement we can expect in those areas? And given the dependence on lumpy government orders like BharatNet kind of orders, what are the tangible order pipeline for Phase 3? What portion of your capacity is already underpinned by some customer commitments?

Mahesh Viswanathan: About BharatNet, like I mentioned, we still do not have anything meaningful from the BharatNet set of tenders that were floated last year. There were 16 tenders which were floated, out of which 12 have been ordered to the suppliers and 4 are going in for retender. While we participated in the tenders, we were not successful in any of the tenders. I think the retender is expected to come in September. Out of those 12 have been where orders have been placed, we are now following up with people who won the tenders and who do not have the cabling capacity or the fiber capacity but those are discussions which are ongoing.

On the non-BSNL side, the state tenders are yet to be floated. There are about seven states which are coming out. I think only Gujarat had floated tenders. The other states have not yet done so, those are all expected in the next two to four months. We are hopeful that we will gain some positions in those.

Coming to the private side, we are one of the largest suppliers to Bharti, and we have an ongoing yearly contract with them. We also supply to the other telecom service providers, be it Reliance or be it Vodafone. Currently, factory booking is probably around 60% of the capacity.

Balasubramanian: Ad and promotion spend increased to INR 20 crore in this quarter. I think at last quarter, it is around INR 11 crore. Whether the spend is for supporting new FMEG launches or defending brand premium wires, so where we spend majorly?

Mahesh Viswanathan: If you look at the ads, it will be all brand promotion for sure and we do command premium over many brands in the market. I think it is on both counts. We are conscious of the fact that you will need visual impact. You will need to message the customers, not just the immediate customers like the builders or the contractors, but also eventual end users like you and I because if I, as an investor in a home, am concerned about safety, and that is the factor that we are focusing on, that our wires are safe, it gives a long life, you can use it, and then you can forget it for the next 40-50 years so, that is the messaging that we are giving. It is definitely useful, but do I have a direct correlation between the spend and its immediate impact on the numbers? No. It is, in a sense, an investment.

Balasubramanian: My last question on that FMEG business side, I think we have been missing internal targets for since long. What is the strategic review underway, and what are the new product launches planned next two or three quarters? And how do you look at in this business next two to three years' time frame? I think the industry itself, some of the products are facing headwinds. If you could share which are the products are picking up, which are the products are slowing down?

Mahesh Viswanathan: We are broadly in fans, water heaters, lighting, switches and domestic switchgear. Each one has its own characteristics. Fans this quarter had faced headwinds. The monsoon was fairly long, and I think numbers were low for most of the competition there as well, lower compared to their previous second quarter so, we were no exception. New models are under design and should be coming out.

In lighting, the issue has been more on price erosion across the market, that has been something consistently happening over the last few years with the drop in prices of LEDs. I think it is now nearing or rather bottomed out so, I think we should see more stable numbers going forward with the volumes and with the volumes increasing, that should show up reasonably well.

Switches and switchgears, there are multiple models on development. Next quarter, there should be newer variants coming in from our side. Broadly, we are committed to this segment and we made a statement somewhere saying that we would reach a number of INR 500 crores by 2028 or so and I think that target is still within reach.

- Moderator:** The next question is from the line of Vishal Shah from Sameeksha Capital. Mr. Vishal, please go ahead.
- Vishal Shah:** What demand trends are we seeing post Q2 from the Housing, industrial and infrastructure segment side for the electrical cables? First question. And second, sir, guidance for the FY26 and FY27.
- Mahesh Viswanathan:** We have never given out any guidance, whether it is for the quarter or for full year or for future years. I think it is a little future-looking, and we prefer not to do that. Your other question was on the demand from infra and which other sector, you said?
- Vishal Shah:** Housing, industrial and infra.
- Mahesh Viswanathan:** Housing, industrial and infra. Okay. Housing, I think we have seen some moderation in real estate over the last quarter or slightly longer than a quarter. New launches in this quarter have also been down and what I am reading in reports also says that the offtake on the affordable housing seems to have dropped down a little bit. I don't know whether how and when it will pick up. I think people were waiting to see clarifications around GST and so on. There is an implicit need for housing, that is for sure. The pickup is something that I am yet to see. It is probably a quarter, two quarters away.
- On the infra and more on the cable side, we do see a lot of demand. While we have not been very positive on the cable side because of the fact that it is all tender-driven businesses where one needs to be L1 to gain the business, we do see quite substantial volumes happening there so, we will be choosy in terms of which one we pick to participate in and to what extent we participate there, it is an opportunity, so we are looking at it with all eyes open.
- Moderator:** The next question is from the line of Yashi Shah from Shatrunjaya Investments Managers LLP. Please go ahead.
- Yashi Shah:** Firstly, thank you for the opportunity. I wanted to know any type of development in the product lines if you are having currently.
- Mahesh Viswanathan:** In which product lines are you talking about?
- Yashi Shah:** For the switches and switchgear and other cables also.
- Mahesh Viswanathan:** Well, switches and switchgears, multiple variants are under development right now. These products require not just testing at our end, but also certifications, especially the switchgears require certifications from the regulatory authorities, any product development takes about six to eight months to be released onto the market. Like I said earlier, in the next coming quarters, there will definitely be some releases from our side.

On the fans and water heater segments, we are working on different designs and additional features, those should also come into the market maybe in the next six months or so.

On cables, we have variants around fire retardant cables, fire retardant plus low smoke cables, and the halogen-free fire retardant cables as well. People call it by different names. Some call them the last one, some call them green, but basically, it is halogen-free cables.

We have also recently introduced last year cables which are cured by E-beam, which prolong the life to 40-50 years so, where you are looking at high rises with a building life of 100 years, these are very suitable for those kinds of applications. Variants in terms of packing, variants in terms of sizes, those are also being released.

On the special products like optic fiber and so on, designs will change depending on the customer's need. We have several designs which are constantly being used. Currently, we are working on designs meant for, besides telecom, other users as well.

Moderator: The next question is from the line of Darshika Khemka from AV Fincorp. Please go ahead.

Darshika Khemka: I had two questions. Firstly, what is the status of the current case that is going on? Is there any progress, or is it still sub judice? When do we expect a settlement if there are chances of any?

The second question is that what is the kind of guidance that we are giving for the electrical cables, communication cables, and the FMEG segment for the next few years until '27, '28? And in the light of the current market scenario, also, a guidance for the current year would be extremely helpful, both on the revenue and the margins.

Mahesh Viswanathan: On the case, as you are aware, it is between two shareholders. At the company level, I have really nothing to say or talk about so, you will have to excuse me on that and on the guidance, like I mentioned, we do not give guidance in terms of either the quarter or the full year or any future period. That is how we handle this.

Darshika Khemka: All right. You had in the last con call mentioned that we have the capability of doing INR 6,500 crores in revenues from the electrical cable segment at a peak level. By when do we aim to achieve that? What is the similar number for the communication cable segment?

Mahesh Viswanathan: Well, the capacity, I mean, at certain price levels, that INR 6,500 crores number was what we could achieve basis the capacity that we had at that time, that would have changed now because in the meantime, we have added multiple machines at multiple places, that number would have changed by now. All I can say at this point in time is my utilization is approximately just slightly under 70%. That is for the electrical cables.

For the communication cables, again, it depends on the configuration of the designs that the customer wants. If it is a low fiber count product, then the revenue per kilometer would be much lower. Whereas if it is a large fiber count product, then the revenue per kilometer would be much, much higher. It is kind of difficult to put a rupee value on that.

Darshika Khemka: And with a preform facility expected to start soon, what kind of margins can we expect? What margin accretion can we expect in the communication cable segment?

Mahesh Viswanathan: Look, if I am importing from Japan, , then the duty is zero, whereas if I am importing from the U.S. or any other place, there is a 5% duty, so, that would be straight away saved. Beyond that, it will also depend finally on the realized efficiency at the plant, we are still awaiting production trials. It would be too quick to give a number out on that, but it should be margin accretive.

Currently, because of utilizations and low fiber prices, our communication segment margins are in the lower single digits. Like I mentioned earlier on, I think once the preform plant and the additional fiber draw stabilizes, it is not going to be from day one, but once it stabilizes, it can go back to the traditional margin levels that we used to have. I think that used to be around 8% to 10% levels, depending again on the designs.

Darshika Khemka: And sir, my last question is that we are considering in-house manufacturing for the FMEG segment. Do we still have that on the card?

Mahesh Viswanathan: Absolutely, it is still on the cards. We need to hit the volumes first.

Darshika Khemka: So, not anytime soon, I would say.

Mahesh Viswanathan: Not this year, for sure.

Darshika Khemka: That's it from me.

Moderator: Thank you. As there are no further questions, I now hand the conference over to Mr. Mahesh for the closing comments.

Mahesh Viswanathan: Thank you for participating in this conference. I hope you found the information useful.

Moderator: On behalf of Finolex Cables Limited, that concludes this conference. Thank you for joining us. You may now disconnect the lines.

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