



Dynamic Cables Limited

(Govt Recognised STAR Export House)

www.dynamiccables.co.in

May 30, 2022

To,

BSE Limited,

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai—400 001

Sub: Press Release on the Audited Financial Results of the Company under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Ref: Dynamic Cables Limited – Scrip Code – 540795

With reference to the captioned subject, please find enclosed the press release on the Audited Financial Results of the Company for the quarter and year ended on March, 31 2022.

Kindly take the same on your record

Yours faithfully,

For Dynamic Cables Limited



Yagya Dev Sharma

Company Secretary and Compliance Officer

M. No. – A45053

Encl.: as above



Mangal Group
promoting value engineering



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

Surpassed All Past Performance, Highest Ever Revenue & Margins

Sales increased by 65% | Operating Profit increased by 134% | Net Profit Zooms 3x

May 30, 2022, Jaipur: Dynamic Cables Limited (DCL), today announced its result for 4th quarter and full year ended March 31, 2022.

Financial Performance:

(Rs. Crs)

Particulars	Q4FY22	Q4FY21	FY22	FY21
Operating Revenue	172.7	139.2	563.6	342.6
Operating Ebitda	15.5	11.6	59.8	25.6
Operating Ebitda %	9%	8.3%	10.6%	7.5%
Finance Cost	2.6	2.7	13.0	11.9
Depreciation	2.1	2.3	8.1	8.3
PBT	11.4	7.3	41.5	13.4
Income Tax	2.9	1.9	10.6	3.6
PAT	8.5	5.3	30.9	9.8

Commenting on the results, Mr. Ashish Mangal, Managing Director of Dynamic Cables Limited commented: We are pleased that our performance is in line with our narrative shared during the year with regard to improving market sentiments and our focus on profitability alongside business growth and debt reduction. Our performance in 4th quarter and FY 2022 was driven by operational improvement as a result of lean manufacturing practices, selecting the right set of business, cost optimization and increase in productivity.

Showcasing robust growth of the business we were able to set new benchmarks with ever highest Operating margins and Net Profit. With robust cash flow from operations of Rs. 64 crores, we were able to substantially reduce our on-balance sheet debt and fund our capex. Going forward our capital allocation strategy will continue on the same lines. In line with our strategy, we look forward to further consolidate our position amongst the mid-tier cables suppliers. Our initiatives with regard to railway supplies, new product development and exports should fuel our growth engine going ahead. Cognizant of the inflation challenges, we remain agile through our business portfolio and business strategies. We believe that it is the beginning of a new growth era for institutional cable demand backed by robust capex cycle, high government revenues and normalization of business activities post pandemic.

Last but not the least, we are mindful of our roleplay in ESG contribution through solar power plant, implementation of industry 4.0 and various CSR initiatives.

Financial Highlights:

FY22

- Revenue growth was at 65% as compared to FY21 and 32% as compared to FY20
- Operating Margin improved to 10.6% from 7.5% in FY21 and 10.5% in FY20
- PAT increased to Rs. 30.9 crores as compared to Rs 9.8 Crs in FY21 and Rs. 18.2 crores in FY20
- ROCE and ROE for the year was 24.3% and 20.9% respectively
- Cash Flow from Operations increased to Rs. 64 crores in FY22 as compared to Rs 26 Crs in FY21 and Rs. 37 crores in FY20
- External Credit Rating upgraded from Brickwork BBB to Crisil BBB+

Q4FY22:

- Revenue growth was at 24% YoY and 21% QoQ
- PAT increased from Rs 5.3 Cr in Q4 FY21 to Rs. 8.5Cr in Q4 FY22
- Debtors outstanding as on 31st March 2022 was Rs. 159.30 crs vs Rs. 139.29crs in 31st Dec 2021
- Receivable days (calculated on trailing 6 months gross sales) remained same at ~78 days QoQ and 95 days YoY
- Order book stands at Rs 242.68 Crores

Borrowing:

Particulars (Rs. In Crs)	31 st Mar 2022	30 th Sep 2021	31 st Mar 2021
Term Loans from Banks/FIs	23.4	28.0	32.3
Other Loans	8.5	15.1	8.5
Working Capital Loans	44.8	69.7	76.8
Total On-balance sheet Debt	76.6	112.8	117.6
LC Creditors (Off- balance sheet)	62.5	31.5	15.7
Total Borrowing	139.1	144.3	133.3
Less: Cash & Bank Balance	26.2	25.7	22.6
Net Debt	112.9	118.6	110.7

Outlook:

- Overall business environment has remained quite supportive in FY22 despite the sharp inflation in last 2 quarters
- Fresh Capex are at multidecade high, and witnessing a robust demand from both government and private sector
- Inflation is helping companies to build strong balance sheet and helping in revival of paused capex, which bodes well for our business
- Demand environment continued to remain encouraging from Metro and Railway projects, O&G, Steel, Cement sectors and push towards transitioning to a renewable energy
- We continuously endeavor to safeguard our business model from raw material cost inflation
- During the quarter, inflation in our raw material basket were in mid-single digits
- Government initiatives and reforms such as PLI Scheme, Gati Shakti etc., are certainly helping and even capacity utilization across most private industries are at multiyear high levels suggesting the start of mid to long term revival of demand which was subdued now for few years
- We continue to believe that there is a huge opportunity in the institutional business, and as the Capex spending has just started it will bring mid to long term growth in cable demand
- 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.

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.