DALALBYTES RESEARCH

Polycab India

The Cable Compounder

India's largest wires and cables maker: 30 to 31 percent organised market share, a net cash balance sheet, and an FMEG business that has turned profitable

NSE: POLYCAB · BSE: 542652

October 26, 2026

Reference: Rs 7,662, NSE close of October 26, 2026.
Founding story, wires and cables, FMEG and EPC, financials, competition, management, valuation, FY2029 scenarios.

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VERDICT

73 / 100 : Selective Positive

The blunt version. Polycab is India's wires and cables champion, and the FY26 and H1 FY27 prints are the strongest in its history. Consolidated revenue rose 29 percent in FY26 to Rs 28,884 crore, PAT rose 32 percent to Rs 2,708 crore, and H1 FY27 revenue rose 46 percent to Rs 18,109 crore with PAT up 38 percent to Rs 1,787 crore. Organised market share jumped about 3 to 4 percentage points in one year to 30 to 31 percent. The balance sheet holds net cash of Rs 4,520 crore at September 2026.

Why it is not a straight Positive. Three deductions, all visible in the same prints. First, headline growth is flattered by metal prices: copper peaked near $12,968 a tonne in February 2026, Q1 FY27 domestic wires and cables volume growth was only low-to-mid single digits, and material costs rose to 76.4 percent of sales in Q2 FY27, cutting the EBITDA margin to 14.4 percent from 15.8 percent a year earlier. Second, the moat is now contested by capital: UltraTech started commercial wires and cables production in September 2026 with a Rs 1,800 crore plan and the Aditya Birla distribution machine behind it, and the Adani group is entering through Kutch Copper. Third, the price still asks for perfection: at Rs 7,662 the stock trades at about 36 times trailing earnings after falling 24 percent from its Rs 10,126 high.

What the buyer gets today. The category leader in a Rs 1.01 lakh crore industry growing at an estimated 13 to 14 percent a year, a 24 to 25 percent return on equity, a net cash balance sheet, a dividend of Rs 47 a share for FY26 (a 27.2 percent payout, rising toward a guided 30 percent plus by FY30), and a five-year capex programme of Rs 6,000 to 8,000 crore under Project Spring. FY2029 targets: bear Rs 5,900, base Rs 11,300, bull Rs 14,800.

Reference price. Rs 7,662, NSE close of Monday, October 26, 2026 (India Infoline market data for October 26, 2026: price Rs 7,662, market cap Rs 1,15,471 crore, P/E 36.09). The prior session, Friday, October 23, 2026, closed at Rs 7,440.

1. SNAPSHOT

Item	Detail
Company	Polycab India Ltd
Ticker	NSE: POLYCAB, BSE: 542652
Sector	Wires and cables, fast-moving electrical goods (FMEG), EPC, India
Reference price	Rs 7,662 (NSE close, October 26, 2026)
Market cap	About Rs 1,15,471 crore

Item	Detail
Shares outstanding	15.06 crore (face value Rs 10)
52-week range	Rs 6,663 to Rs 10,126
FY26 revenue	Rs 28,884 crore (up 29 percent)
FY26 PAT	Rs 2,708 crore (up 32 percent), EPS Rs 177.48
H1 FY27 revenue / PAT	Rs 18,109 crore (up 46 percent) / Rs 1,787 crore (up 38 percent)
Net cash	Rs 4,520 crore (September 30, 2026)
Dividend	Rs 47 a share for FY26, yield about 0.61 percent at the reference price
Promoter holding	61.44 percent (September 2026), no pledging reported
Score	73/100, Selective Positive

Position in the market. Polycab is the largest wires and cables maker in India, with an estimated 30 to 31 percent share of the domestic organised market in FY26, roughly three times the share of the next player, KEI Industries at about 11 percent.

The one-line business. Turn copper and aluminium into branded wires, cables and electrical goods, sell them through 3,900 plus dealers and 1,90,000 plus retail outlets plus institutional project channels, and pass metal prices through with a lag while keeping the brand premium.

■ 2. FOUNDING STORY: A LOHAR CHAWL SHOP, BACKWARD INTEGRATION, AND A 2019 LISTING

The shop came first. The Jaisinghani family's Sind Electric Stores, an electrical goods shop in Lohar Chawl, Mumbai, dates to 1964 under Thakurdas Jaisinghani. His son Inder, who left school at 15 in 1968 after his father's sudden death, took over the shop and learned trading on the job. His brothers joined, and the family moved from trading other people's wires to making their own.

Manufacturing identity, 1983 to 1996. Polycab Industries was registered in 1983 as a partnership firm and small-scale unit at Halol, Gujarat, making PVC-insulated wires and cables and copper and aluminium products. Polycab Wires Private Limited was incorporated on January 10, 1996, and a plant followed at Daman. The founding bet was backward integration: control the conductor, the compounding and the drawing in-house, because in this industry quality failures are invisible until a building is wired.

Scale before the listing. IFC invested about Rs 400 crore in 2009. The company diversified into EPC in 2009 (power distribution and rural electrification) and into FMEG in 2014 (fans, LED lighting, switches and switchgear, solar, conduits). A 50:50 joint venture with Trafigura (Ryker Base) put copper rod production inside the tent in Gujarat. Polycab listed in April 2019, its IPO subscribed about 52 times, already the market

leader with about 12 percent share of a Rs 52,500 crore industry at the time.

The compounding since. Share of the organised market rose from 18 to 19 percent in FY19 to 25 to 26 percent in FY24, 26 to 27 percent in FY25 and 30 to 31 percent in FY26. Revenue rose from Rs 7,986 crore in FY19 to Rs 28,884 crore in FY26. The story in one line: a trading family's distribution instinct, industrialised.

3. THE BUSINESSES: ONE ENGINE, ONE OPTION, ONE PROJECT ARM

The model in one paragraph. Polycab sells specification products through two channels at once: a distribution channel (dealers, retailers, electricians) that buys branded building wires and FMEG, and an institutional channel that buys power, control and specialty cables for infrastructure, industry, renewables and buildings. Metal is 70 percent plus of the cost base and is passed through in price, with a lag. That pass-through is why revenue growth must always be read next to volume growth and the copper price.

Segment	What it sells	FY26 scale
Wires and cables	Power cables (low tension to extra high voltage), building wires including green wires, control and instrumentation cables, solar cables, flexible, rubber, communication and specialty cables for renewables, railways, defence, electric vehicles and data centres	Revenue Rs 25,179 crore (up 33 percent), about 87 percent of consolidated revenue; international business 5.4 percent of consolidated revenue, exports to 94 countries
FMEG	Fans, LED lighting and luminaires, switches and switchgear, solar products including inverters and pumps, conduits and accessories	Revenue Rs 2,069 crore (up 25 percent); profitability turned positive in FY26, EBIT margin 8.0 percent in Q1 FY27 and 10.1 percent in Q2 FY27
EPC	Design, engineering, supply, execution and commissioning of power distribution and rural electrification projects, including BharatNet-linked work	Revenue down 13 percent in FY26 on project timing, EBIT margin 9.9 percent; Q2 FY27 revenue Rs 617 crore (up 53 percent) at a 7.2 percent EBIT margin

Technical side: what is actually inside the cable. The product ladder runs from a single-core PVC building wire, where brand and copper purity are the sale, up through cross-linked polyethylene (XLPE) and ethylene propylene rubber insulated power cables, elastomeric and silicone cables for harsh duty, instrumentation cables with shielding against signal noise, solar DC cables rated for 25 years outdoors, and extra high voltage cables where partial-discharge testing and clean-room compounding decide who qualifies. Polycab's edge is breadth plus qualification: utility, railway, defence and data centre buyers qualify vendors over years, and a qualified vendor list is a slow asset to build and a fast one to lose on a quality failure.

The new demand pockets, quantified by management. On the Q1 FY27 call, management estimated data centre construction at roughly Rs 3.5 crore of cable demand per megawatt of capacity. Solar is now the largest FMEG category and grew more than two times in Q1 FY27. BharatNet fibre work has been pre-secured on fibre supply, with project profitability expected in the high single digits.

Manufacturing footprint. 26 manufacturing facilities, 35 warehouses and 15 offices in the Q2 FY27 release (some company profiles print 27 facilities). FY26 capex of about Rs 1,480 crore was the highest in the

company's history, directed mainly at cables capacity.

4. THE FLYWHEEL: DISTRIBUTION, QUALIFICATION, AND METAL PASS-THROUGH

Step one: distribution is the product. 3,900 plus authorised dealers and 1,90,000 plus retail outlets mean the electrician who decides which wire goes into a wall finds Polycab first. Every FMEG category launched since 2014 rides this same network, which is why FMEG could reach Rs 2,069 crore without building a second sales force.

Step two: institutional qualification compounds. Winning a utility, metro, refinery or data centre cable qualification takes years of testing. Once listed, the vendor gets repeat orders at specification, not at auction. The institutional book is what let wires and cables revenue grow 33 percent in FY26 while the industry grew in the mid-teens.

Step three: share gains fund capacity, capacity funds share gains. Project Spring commits Rs 6,000 to 8,000 crore of capex over five years. FY26 spent Rs 1,480 crore of it. The FY26 result, a 3 to 4 point share gain in one year, is the flywheel measured: capacity and working capital were in place when demand and metal prices surged, so Polycab took orders rivals could not fill.

Step four: the brand premium absorbs the metal lag. Copper rose from $9,652 a tonne in April 2025 to a peak of $12,968 in February 2026 (directors' report). A pass-through business with a brand can reprice monthly; a commodity seller cannot. The cost is visible in Q2 FY27: material costs at 76.4 percent of sales squeezed the contribution margin to 23.6 percent from 27.1 percent a year earlier. The flywheel works, but its margin wobbles with the metal cycle.

5. DEALS, PROGRAMMES AND THE ROADMAP AUDIT

Project LEAP (set FY21): beaten. Management guided in FY21 to about Rs 20,000 crore of revenue by FY26 under Project LEAP, the BCG-assisted transformation of the B2B, B2C, organisation and IT blocks. Delivered: Rs 28,884 crore, 44 percent above the target, a year after crossing the target in FY25 itself (Rs 22,408 crore).

Project Spring (FY26 to FY30): in progress, graded piece by piece.

Spring commitment	Target	Delivered by H1 FY27	Grade
Capex	Rs 6,000 to 8,000 crore over five years, Rs 1,200 to 1,600 crore a year	FY26 capex Rs 1,480 crore, the highest ever; Q1 FY27 capex Rs 320 crore	Met, on pace
Market share	Grow at about 1.5 times the industry rate	Share 26 to 27 percent (FY25) to 30 to 31 percent (FY26)	Beaten in FY26

Spring commitment	Target	Delivered by H1 FY27	Grade
International	Double exports from about 5 percent to 10 percent of revenue by FY30	5.4 percent in FY26; Q1 FY27 international revenue down 13 percent on Middle East disruption; Q2 FY27 growth resumed	Pending, behind pace
FMEG	Profitable, premium-led growth, 1.5 to 2 times industry growth	FY26 revenue up 25 percent, profit positive; Q1 FY27 up 71 percent at 8.0 percent EBIT margin; Q2 FY27 revenue more than doubled at 10.1 percent	Beaten so far, off a low base
Margins	Wires and cables EBITDA margin 11 to 13 percent medium term; FMEG EBITDA margin 8 to 10 percent by FY30	Group EBITDA margin 13.9 percent in FY26 and 14.1 percent in H1 FY27; W&C segment EBIT margin 13.3 percent (Q1) and 14.2 percent (Q2)	Met
Dividend payout	Above 30 percent by FY30	27.2 percent in FY26, up from 26.3 percent	On pace

Deal aspects worth naming. The Ryker Base copper rod joint venture with Trafigura (50:50, Gujarat) is the structural deal in the story: it secures the single largest input at the plant gate. The EPC book carries the opposite kind of deal risk: government project receivables and execution timing, visible in EPC revenue falling 13 percent in FY26 then rising 53 percent in Q2 FY27. The pending Asier Metals matter, now reserved for order at the NCLAT after an October 15, 2026 hearing, is disclosed by the company as a live legal item; management expects no material impact, and this report treats it as an unquantified contingency, not a number.

6. FINANCIALS: FIVE YEARS OF COMPOUNDING, ONE METAL-FLATTERED HALF

Fiscal year	Revenue (Rs cr)	Operating profit (Rs cr)	Operating margin	PAT (Rs cr)	EPS (Rs)	Operating cash flow (Rs cr)
FY22	12,204	1,264	10%	917	60.80	461
FY23	14,108	1,843	13%	1,282	84.80	1,452
FY24	18,039	2,492	14%	1,803	118.75	1,292
FY25	22,408	2,964	13%	2,046	134.28	1,803
FY26	28,884	4,013	14%	2,708	177.48	3,747

Fiscal year	Revenue (Rs cr)	Operating profit (Rs cr)	Operating margin	PAT (Rs cr)	EPS (Rs)	Operating cash flow (Rs cr)
H1 FY27	18,109	2,559 (EBITDA)	14.1%	1,787	n.v.	n.v.

Screener.in consolidated series via public mirrors, accessed October 26, 2026; FY26 EBITDA per the company release is Rs 4,006 crore, and reported PAT in the release is Rs 2,708 crore (some summaries print Rs 2,672 crore of attributable PAT). Operating cash flow per exchange-filed cash flow summaries. H1 FY27 is the sum of the Q1 and Q2 FY27 company releases.

Growth quality check, and it matters here. Revenue compounded at about 26 percent from FY23 to FY26 and PAT at about 28 percent. But a large slice of the FY26 and H1 FY27 growth is price, not volume: copper rose about 34 percent peak to trough inside FY26, and Q1 FY27 volume growth in domestic wires and cables was described on the call as low-to-mid single digits even as revenue grew 43 percent domestically. The honest growth rate of the underlying franchise is the industry rate of 13 to 14 percent plus share gains, not 46 percent.

Margin path. Operating margin recovered from 10 percent in FY22 to 13 to 14 percent and has held there for four years. Inside H1 FY27 it slipped year on year (Q1: 13.8 percent versus 14.5 percent; Q2: 14.4 percent versus 15.8 percent) while improving sequentially, exactly the pattern of a pass-through business repricing into a metal spike.

Quarterly momentum.

Quarter	Revenue (Rs cr)	EBITDA (Rs cr)	EBITDA margin	PAT (Rs cr)
Q1 FY27	8,210	1,136	13.8%	797
Q2 FY27	9,899	1,423	14.4%	990
H1 FY27	18,109	2,559	14.1%	1,787

Company results releases of July 16, 2026 and October 15, 2026. Q2 FY27 segments: wires and cables Rs 8,301 crore (up 47 percent, EBIT margin 14.2 percent), FMEG Rs 993 crore (more than double, EBIT margin 10.1 percent), EPC Rs 617 crore (up 53 percent, EBIT margin 7.2 percent).

7. CASH FLOW AND CAPITAL ALLOCATION: SELF-FUNDED, WITH A WORKING CAPITAL APPETITE

Balance sheet. Net cash was Rs 4,190 crore at March 2026 and Rs 4,520 crore at September 30, 2026. Borrowings are minimal (debt to equity of about 0.02; reported borrowings of about Rs 272 crore at September 2026). Net worth was about Rs 12,006 crore at March 2026 (equity capital Rs 151 crore plus reserves of Rs 11,856 crore).

Cash conversion is the soft spot. Operating cash flow was Rs 461 crore in FY22 against PAT of Rs 917 crore, and only Rs 1,292 crore in FY24 against PAT of Rs 1,803 crore: in fast-growth, rising-metal years, inventory and receivables eat the profit. FY26 was the best conversion year in the series (operating cash flow

Rs 3,747 crore against PAT of Rs 2,708 crore). Free cash flow after the Rs 1,480 crore capex was roughly Rs 2,270 crore in FY26 on this arithmetic. Management guides working capital days, which spiked low in H1 FY27, to normalise toward 45 to 50 days.

Capital allocation record. No buybacks of consequence; the return runs through a rising dividend (Rs 35 a share for FY25, Rs 47 for FY26, payout 27.2 percent, guided above 30 percent by FY30) and through capex that has so far earned its keep: return on equity of 24 to 25 percent and return on capital employed of about 31 to 34 percent in FY26 prints. The allocation question for the next five years is whether Rs 6,000 to 8,000 crore of Spring capex, spent into the teeth of UltraTech and Adani capacity, earns the same returns as the last cycle.

8. STRENGTHS

What to watch

Q3 FY27 results in January 2027. Volume growth stripped of copper inflation, the EBITDA margin against the 11 to 13 percent medium-term guide, FMEG margin holding near 10 percent, and UltraTech Ultravolt pricing decide whether the core can outgrow a full multiple.

Share, measured. 30 to 31 percent of the organised market, up 3 to 4 points in FY26 alone, against KEI at about 11 percent and RR Kabel at about 8 percent (broker industry estimates for FY26). In a specification business, that gap is distribution, qualification lists and fill rates, not advertising.

Returns, measured. Revenue CAGR of about 26 percent and PAT CAGR of about 28 percent over FY23 to FY26, with return on equity at 24 to 25 percent and operating margin held at 13 to 14 percent through a metal spike.

The FMEG option is now real. A segment that lost money for years printed Rs 2,069 crore of FY26 revenue at a positive margin, then 8.0 and 10.1 percent EBIT margins in the first two quarters of FY27, with solar the largest category. It rides the wires distribution for free.

A fortress that funds itself. Net cash of Rs 4,520 crore, negligible debt, and a capex programme funded from internal accruals and cash, not from leverage or dilution.

9. WEAKNESSES AND RISKS

Volume is growing much slower than revenue. Q1 FY27 domestic volume growth was low-to-mid single digits while revenue grew 43 percent. If copper falls, the same arithmetic runs in reverse: reported revenue can shrink even with healthy volumes, and a market priced on 46 percent H1 growth will reprice the optical decline.

New entrants with deeper pockets and adjacent distribution. UltraTech began commercial production in September 2026 at a Gujarat plant of about 11 lakh km capacity, with Rs 1,800 crore committed (Rs 888

crore spent by June 2026), the Ultravolt brand, Hindalco metal inside the same group, and India's largest building materials dealer network to sell through. Broker estimates put UltraTech at 5 to 6 percent industry share by FY30 if it executes. The Adani group's entry through Praneetha Ecocables under Kutch Copper adds a second integrated rival. Jefferies' defence, that 70 to 75 percent of Polycab's mix is cables while UltraTech's focus is wires, is real but narrows over time.

Margin is a pass-through residual. Material costs were 76.4 percent of sales in Q2 FY27. Contribution margin fell to 23.6 percent from 27.1 percent a year earlier. A business that keeps 14 percent at the EBITDA line while 76 percent of sales is metal has very little room for a pricing war.

Working capital and the EPC tail. Growth consumes cash in this model (FY22 and FY24 conversion was weak), the working capital cycle is guided back up to 45 to 50 days, and the EPC segment adds government receivable and execution risk, including BharatNet-linked work. The Asier Metals NCLAT matter is a further unquantified contingency.

Concentration of the story. Wires and cables is about 87 percent of revenue. Exports are only 5.4 percent, so the FY30 target of 10 percent requires the international business, which fell 13 percent in Q1 FY27 on Middle East disruption, to compound far faster than the group.

10. MANAGEMENT AND GOVERNANCE

Structure. Inder T. Jaisinghani, founder, is Chairman and Managing Director. The second generation (Bharat and Nikhil Jaisinghani) sits in executive roles, and Gandharv Tongia is CFO. It remains a promoter-run company: promoters held 61.44 percent in September 2026 (61.43 to 61.46 percent across recent prints), institutions about 26 percent and the public about 12.6 percent, with no pledging reported.

Delivery record: said versus did. Project LEAP promised Rs 20,000 crore by FY26 and delivered Rs 28,884 crore: beaten by 44 percent. The FY26 capex guide of Rs 1,200 to 1,600 crore under Spring was met at about Rs 1,480 crore. The dividend payout path toward 30 percent plus by FY30 is on schedule at 27.2 percent. The export leg is the one promise behind pace: 5.4 percent of revenue in FY26 against a 10 percent FY30 target, with a down quarter in Q1 FY27.

The honesty tell in Q2 FY27. After a record quarter (revenue up 53 percent), management did not raise guidance and restated the medium-term margin frame (wires and cables EBITDA margin of 11 to 13 percent, FMEG 8 to 10 percent by FY30). Holding guidance while beating is the conservative pattern this management has shown before, and it is graded as a positive for credibility and a negative for near-term estimate momentum. Both readings are true.

11. COMPETITION

Company	FY26 position vs Polycab	FY26 revenue (Rs cr)	FY26 PAT (Rs cr)	Approx. P/E, Oct 26, 2026	Read
Polycab	Organised market leader, about 30 to 31 percent share	28,884	2,708	About 36x	Scale, distribution, qualification lists
KEI Industries	Number two in cables, about 11 percent share, cables-heavy	11,748	918	About 34 to 37x	Closest pure cables rival, thinner FMEG
RR Kabel	About 8 percent share, retail wires strength	9,722	492	About 40 to 42x	Faster growth, lower margin (EBITDA margin about 8.5 percent)
Finolex Cables	About 6 percent share, plus optical fibre	6,321	714	About 21 to 22x	Fortress balance sheet, margin stuck near 10 percent
Havells India	FMEG leader that also sells cables (about 38 percent of its mix)	Larger group scale	n.v. here	About 41x	The FMEG benchmark Polycab attacks
UltraTech (Ultravolt)	New entrant, production started September 2026	Startup phase	n.a.	n.a.	Rs 1,800 crore plan, about 11 lakh km plant, Birla distribution and Hindalco metal
Adani (Praneetha Ecocables)	New entrant via Kutch Copper	Startup phase	n.a.	n.a.	Integrated copper, power and infrastructure channels

Peer FY26 revenue and PAT from ICICI Direct sector data and company reports; multiples are approximate October 2026 market prints (Finnhub and India Infoline), directionally checked, not audited. n.v. means not verified in this pass, n.a. means not applicable.

The honest comparison. Polycab out-earns every listed rival on margin (group EBITDA margin of 13.9 percent in FY26 against KEI at about 11.6 percent on its cables business, RR Kabel near 8.9 percent and Finolex near 9.6 percent in broker industry tables) and out-grows them (FY23 to FY26 revenue CAGR of 26 percent against KEI at 22 percent and RR Kabel at 21 percent). The competitive question has changed, though. For a decade the rivals were other cable companies. From September 2026 the marginal rival is a cement major with a bigger dealer network than anyone in electricals, selling a product whose raw material its own group mines and smelts.

12. VALUATION VS PEERS

At the reference price. Rs 7,662 is about 36 times trailing earnings (P/E 36.09, India Infoline, October 26, 2026; TTM EPS about Rs 210 after H1 FY27), about 8.7 times book value (book value about Rs 869 to Rs 885 a share), and about 4.0 times FY26 sales. Market cap is about Rs 1,15,471 crore. The price sits 24 percent below the 52-week high of Rs 10,126 and 15 percent above the low of Rs 6,663, and is down about 16.7 percent over three months in India Infoline's return series: the de-rating has started, it has not finished the argument.

Peer frame. KEI trades at a similar multiple (about 34 to 37 times) with lower returns and no FMEG engine. RR Kabel trades higher (about 40 times plus) on faster but thinner-margin growth. Finolex is the value outlier at about 21 times, with a stuck margin and a treasury-heavy balance sheet. Polycab's premium to Finolex is earned; its parity with KEI says the market already pays for the leadership in full.

Broker frame. After the Q4 FY26 results in May 2026, Motilal Oswal raised its target to Rs 9,800 (40 times FY28 estimated earnings) and JM Financial to Rs 9,700 (42 times March 2028 estimated EPS). A June 2026 Motilal Oswal sector update carried FY27 and FY28 EPS estimates of Rs 215 and Rs 265, a 22 percent EPS CAGR for FY26 to FY28. A September 2026 CNBC-TV18 summary of broker work flagged the other side: sector stocks at a 4 to 5 percent premium to five-year average multiples, with Polycab named the most susceptible to tapering growth and peaking margins. Both frames are in the price's history: the stock touched Rs 10,126 on the first and Rs 6,663 on the second.

13. WHY THE SCORE IS 73, NOT HIGHER OR LOWER

Additions. Business quality in the low 80s: the share leader by a factor of three, a five-year delivery record that beat its own public Rs 20,000 crore target by 44 percent, return on equity of 24 to 25 percent, a net cash balance sheet, and a second segment that has just crossed into real profitability. The 24 percent fall from the high has removed the most extreme part of the price.

Deductions. A full 36 times multiple for a business whose underlying volume growth is currently single digits, whose reported growth is substantially a copper price, whose margin is a 14 percent residual on a 76 percent metal cost base, and whose home market has just admitted two of India's largest industrial groups as competitors. That arithmetic lands at 73: Selective Positive.

14. FY2029 SCENARIOS (INR)

Scenario	Revenue CAGR FY26 to FY29	EBITDA margin path	Exit multiple and EPS path	FY2029 target (Rs)
Bear	10 percent, volume-led as metal prices normalise and UltraTech takes wires share	Slips to about 12 percent in a pricing contest	EPS about Rs 236, 25 times	5,900
Base	18 percent, industry growth plus continued share gains, FMEG compounding above 25 percent	Holds about 13.5 to 14 percent	EPS about Rs 330, 34 times	11,300
Bull	24 percent, cables supercycle in data centres, renewables and transmission, exports near 9 percent of revenue	Expands toward 15 percent on premium and specialty mix	EPS about Rs 370, 40 times	14,800

DalalBytes modelling on FY26 revenue of Rs 28,884 crore, PAT of Rs 2,708 crore and EPS of Rs 177.48, with H1 FY27 annualising to a TTM EPS of about Rs 210. Bear assumes copper deflation cuts reported revenue growth to near volume growth and new entrants force price discipline breaks. Base assumes the Motilal Oswal industry path of 13 to 14 percent market growth plus 3 to 4 points of share and mix gain. Bull assumes Project Spring capacity lands into a transmission and data centre capex supercycle and FMEG reaches scale margins. These are estimates, not verified facts.

Reading the scenarios. The bear case sits about 23 percent below the reference price: there is no asset cushion here, the downside protection is earnings growth, and earnings growth is partly a metal price. The base case is about 47 percent above over about two and a half years, before dividends of about 0.6 percent a year. The distribution says quality compounder, de-rated but not cheap: returns from here are made by delivery against UltraTech, not by multiple expansion.

15. WHY IT MATTERS

Polycab is the cleanest listed instrument on India's electrification buildout. Every transmission line, solar park, data centre, metro and housing tower buys cable, and the industry, at Rs 1.01 lakh crore in FY26, is expected to grow at 1.5 to 2.0 times real GDP (directors' report). The next three years test whether the organised leader's moat is its qualification lists and distribution, which UltraTech cannot copy quickly, or its incumbency, which UltraTech's network can attack on day one.

The checkpoints are dated and knowable. Q3 FY27 results land in January 2027. After that: volume growth stripped of metal prices, the EBITDA margin against the 11 to 13 percent medium-term guide, FMEG margin holding near 10 percent, UltraTech Ultravolt pricing in wires, export share against the 10 percent FY30 target, and the NCLAT order in the Asier Metals matter.

SOURCES

- Company results releases via cms.polycab.com, accessed October 26, 2026: Q4 and FY26 (May 6, 2026): revenue Rs 2,88,838 million (up 29 percent), EBITDA Rs 40,057 million (up 35 percent, margin 13.9 percent), PAT Rs 27,084 million (up 32 percent, margin 9.4 percent), wires and cables revenue Rs 2,51,789 million (up 33 percent), FMEG revenue Rs 20,693 million (up 25 percent), EPC revenue down 13 percent with EBIT margin 9.9 percent, international business 5.4 percent of consolidated revenue, market share 30 to 31 percent, net cash Rs 41.9 billion, dividend Rs 47 a share at a 27.2 percent payout, Project Spring capex of Rs 60 to 80 billion over five years and FY26 capex of about Rs 14.8 billion

- Company results release, Q1 FY27 (July 16, 2026): revenue Rs 82,097 million (up 39 percent), EBITDA Rs 11,362 million (up 32 percent, margin 13.8 percent), PAT Rs 7,967 million (up 33 percent); wires and cables EBIT margin 13.3 percent, FMEG revenue Rs 7,612 million (up 71 percent) at an 8.0 percent EBIT margin, EPC revenue Rs 3,077 million (down 11 percent); net cash Rs 39.9 billion on one summary print and Rs 31 billion on the call summary, capex Rs 3.2 billion

- Company results, Q2 and H1 FY27 (October 15, 2026, via TaxGuru, Kalkine, Saur Energy and results summaries): Q2 revenue Rs 98,989 million (up 53 percent), EBITDA Rs 14,225 million (up 39 percent, margin 14.4 percent versus 15.8 percent a year earlier), PAT Rs 9,900 million (up 43 percent); H1 revenue above Rs 1,80,000 million (up 46 percent), H1 PAT Rs 17,867 million (up 38 percent); segments: wires and cables Rs 83,005 million at a 14.2 percent EBIT margin, FMEG Rs 9,931 million at a 10.1 percent EBIT margin, EPC Rs 6,171 million at a 7.2 percent EBIT margin; net cash Rs 45.2 billion at September 30, 2026; material costs 76.4 percent of sales and contribution margin 23.6 percent (Saur Energy analysis of the filing)

- Screener.in consolidated series via public mirrors (Getaka, ET Money, IIFL), accessed October 26, 2026: sales Rs 12,204 crore (FY22) to Rs 28,884 crore (FY26), operating profit Rs 1,264 crore to Rs 4,013 crore, PAT Rs 917 crore to Rs 2,708 crore, EPS Rs 60.80 to Rs 177.48, TTM EPS about Rs 209.56, dividend payout about 26 percent, reserves Rs 11,856 crore, operating cash flow Rs 461 crore (FY22), Rs 1,452 crore (FY23), Rs 1,292 crore (FY24), Rs 1,803 crore (FY25), Rs 3,747 crore (FY26)

- Market data, October 26, 2026: India Infoline (price Rs 7,662, market cap Rs 1,15,471 crore, P/E 36.09, P/B 8.66, 52-week range Rs 6,663 to Rs 10,126, promoter holding 61.44 percent, institutions 25.96 percent, public 12.60 percent, three-month return minus 16.73 percent); ICICI Direct and Univest (October 23, 2026 close Rs 7,440, market cap about Rs 1,12,118 crore, 52-week range as above); Finnhub (October 26, 2026 session: open Rs 7,432, high Rs 7,739, previous close Rs 7,440)

- Directors' report for FY26 (via India Infoline): copper from $9,652 a tonne in April 2025 to a peak of $12,968 in February 2026, aluminium $2,480 to $3,370, rupee from Rs 85.53 to above Rs 93 a dollar, industry size Rs 1.01 lakh crore in FY26 with demand growth estimated at 1.5 to 2.0 times real GDP, FY26 capex of about Rs 14.8 billion in line with Project Spring

- Motilal Oswal sector update, June 17, 2026 (via public PDF): India cables and wires industry to expand at about 13 to 14 percent CAGR over FY26 to FY30; Polycab FY26 EPS Rs 177, FY27 estimate Rs 215, FY28 estimate Rs 265 (22 percent CAGR), return on equity 22.2 percent; peer table (KEI, RR Kabel, Havells,

Finolex, Apar) with market shares and margins; Hindu BusinessLine, May 7, 2026: Motilal Oswal target Rs 9,800 at 40 times FY28 earnings and JM Financial target Rs 9,700 at 42 times after Q4 FY26

- Aditya Birla Money industry initiation (via public PDF): FY26 market share Polycab 30 percent, KEI 11 percent, RR Kabel 8 percent, Finolex 6 percent, Havells 8 percent, Apar 6 percent; FY23 to FY26 revenue CAGR Polycab 26 percent, KEI 22 percent, RR Kabel 21 percent, Finolex 12 percent; cables and wires EBITDA margins Polycab 13.6 percent, KEI 11.6 percent, RR Kabel 8.9 percent, Finolex 9.6 percent; return on equity Polycab 24 percent, return on capital employed 31 percent

- UltraTech entry: EquityPandit, September 1, 2026 (commercial production started at the Gujarat facility, installed capacity about 11 lakh km, Polycab shares fell about 2.3 percent that day); Upstox and CNBC-TV18 summaries, September 2026 (Rs 1,800 crore committed, Rs 888 crore spent by June 2026, Ultravolt brand launch, Jefferies estimate of 5 to 6 percent industry share by FY30 at 4 to 5 times asset turnover, Polycab wires mix defence); Adani entry via Praneetha Ecocables under Kutch Copper (TradeBrains and Equitymaster summaries)

- Company history: DQ India and company profiles (Sind Electric Stores 1964, Polycab Industries 1983 at Halol, incorporation as Polycab Wires Private Limited on January 10, 1996, Daman plant, IFC investment of about Rs 4 billion in 2009, EPC entry 2009, FMEG entry 2014, Trafigura copper rod joint venture 2016 to 2017, IPO and listing in 2019 subscribed about 52 times); Q1 FY27 earnings call summaries (GuruFocus, BigGo Finance, Bramesh): domestic wires and cables volume growth low-to-mid single digits, data centre cable demand of about Rs 3.5 crore a megawatt, international revenue down 13 percent in Q1 FY27, working capital to normalise toward 45 to 50 days, guidance unchanged after Q2 FY27

DalalBytes Research. Estimates labelled as such are DalalBytes modelling. Verified facts are drawn from the sources above as at October 26, 2026.