

Ref : UCL/SEC/2019-20

7th February, 2020

BSE Limited Corporate Relationship Department Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 504212/718327	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Scrip Code : UNIVCABLES EQ
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Dear Sirs,

**Re : Submission of Press Release pursuant to Regulation 30 of SEBI
(Listing Obligations and Disclosure Requirements), Regulations, 2015**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing herewith the copy of the Press Release issued by the Company after the Board Meeting held on 7th February, 2020.

This is for your information and record.

Regards,

Yours faithfully,
For UNIVERSAL CABLES LIMITED



(Sudeep Jain)
Company Secretary

Encl : As above





Universal Cables Limited

Registered Office:

P.O. Birla Vikas,

Satna – 485 005 (M.P.) India.

Tel: (07672) 414000 Fax: (07672) 257131

E-Mail: headoffice@unistar.co.in website: www.unistar.co.in

CIN No. L31300MP1945PLC001114

Press Release (Q3-2019-20)

7th February, 2020

Source: Universal Cables Limited (UCL)

Universal Cables Limited, one of the flagship Companies of the MP Birla Group, today (7th February, 2020), announced its financial results for the Third Quarter ended 31st December, 2019.

Performance

Universal Cables Limited recorded Standalone Revenue from Operations of ₹395.55 Crores in the Third Quarter of this fiscal compared to ₹367.00 Crores in the Third Quarter of the previous fiscal, registering an increase of 7.78 %. EBIDTA during the Third Quarter of the year stood at ₹44.64 Crores as compared to ₹41.58 Crores in corresponding quarter of the previous year. In the current quarter, the Company posted profit before tax (PBT) of ₹18.10 Crores as compared to ₹21.01 Crores in the corresponding quarter of the previous year. Profit after tax (PAT) stood at ₹13.89 Crores in the quarter under review as compared to ₹13.66 Crores in the corresponding quarter of the previous year.

During the nine months ended 31st December 2019, the Company achieved Revenue from Operations of ₹1197.15 Crores, EBIDTA of ₹139.66 Crores, PBT of ₹67.41 Crores and PAT of ₹52.71 Crores.

Business Review

During the 3rd Quarter of this financial year, the general decline in the economic activity persisted which in effect has led to market contraction, slowdown in the manufacturing sector and a decline in the spending in the infrastructural segments. Nevertheless, within the current environment, the Company posted a satisfactory performance despite its major dependency on the infrastructural sector. The Company expects to continue to move forward with an order book of ₹1022 Crores in hand for execution in the 4th Quarter and beyond.

The Company having deep market penetration relies more on direct sales to its Customers rather than routing sales through dealers and distributors. This has given the Company direct customer access, building a stronger buyer-seller relationship and improved bottom-line. Nevertheless, the Company maintains a lean dealer network and stock points across the country mainly to meet off-the-shelf delivery requirements of the Customers.

The phase-wise CAPEX for de-bottlenecking the capacity has yielded higher efficiency, energy conservation and reduction in WIP, thereby lowering the cost of production.

The sales of EHV cables which forms the backbone of the EPC business portfolio increased by 26% over the nine months period of the previous financial year. In a similar comparison, the other key products, HV/MV and LV cables have increased by 29% and 36% respectively. This has pushed the overall growth in Revenue from Operation by 19% over the nine months period as compared to the corresponding period of the previous year.

Perspective

The Company views the present economic downturn as a temporary phenomenon and expects improvement in the investment and consumption climate. The Company also views that the market contraction is not a cyclical trend but lies on the structural issues of the economy. With the Government making important structural changes in the economy from time-to-time, the possibility of a prolonged economic depression seems avoidable. The Company feels that considering the National agenda for the overall economic development and growth of the country the business environment should improve.

The Company with its strategic investment in VCV technology for EHV cables is speedily forging ahead in the coveted 400kV emerging market and is expecting to materialise business within this financial year and commercialisation by the ensuing financial year. The Company also foresees a stronger growth in the HV/MV and LV products and it is considering capacity expansion in these product lines. The Company has the history of pioneering new frontier products in the country, in keeping with this tradition, the Company is engaged in the development of HV-DC cables for future mega power transmission projects for which the manufacturing and testing infrastructure has been installed.