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16th February 2026

Corporate Relations Department
BSE Limited
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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 12th February 2026 at 5.00 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 12th February, 2026 at 5.00 pm (IST) to discuss financial results of the Company for the quarter ended on 31st December, 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

Siddhesh Mandke
Company Secretary & Compliance Officer

Encl.: As above

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Finolex Cables Limited
Q3 & 9M FY '26 Earnings Conference Call
February 12, 2026



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

MODERATOR: **MR. PRATIK PATIL - DENTSU ONE INVESTOR
RELATIONS**

Moderator:

Ladies and gentlemen, good day, and welcome to the Q3 and 9M 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 the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Pratik Patil from Dentsu One - Investor Relations team. Thank you, and over to you, sir.

Pratik Patil:

Thank you, Steve. Good evening, and thank you all for joining us on the Finolex Cables Q3 and nine month FY '26 Earnings Conference Call. Today, we have with us Mr. Mahesh Viswanathan, Deputy CEO and Chief Financial Officer from Finolex Cables Limited. We will begin the call with 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 risks that the company faces. Please restrict your questions to the quarter performance and to strategic questions only.

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

Mahesh Viswanathan:

Thank you, Pratik and good evening, ladies and gentlemen. Thank you for joining this call. Very quickly, let me take you through the quarter with some brief remarks, and some points on the performance and then I will open up for questions.

You must have seen the results that were uploaded on both the exchange as well as on our own website day before yesterday. We've had a pretty good quarter in terms of overall performance. Revenue was close to INR 1,600 crores for the quarter and for the nine-month period was about INR 4,370 crores.

In the quarter, an incremental performance of about 35% quarter-on-quarter and for the nine-month period, about 17% higher than the corresponding period last year. As a consequence, EBITDA numbers also showed an improvement, 12% quarter-on-quarter and 17% over the nine-months period. PAT also reflected a 10% increase quarter-on-quarter and 18% over the nine months period.

In terms of performance, this was not just a price-led performance, it was also a quantity-led performance. Overall, Wires and Cables, the volume increase was more than 25% - 26%. Individual product lines performed slightly differently. Electric Wires was about 28% in the quarter, Auto cables were almost 42% in the quarter, Industrial was about 28%, and Power Cables were also about 22%.

Big new entrant for us during the quarter was Solar Cables, we are currently hitting close to 80%-85% of our capacity that we built up last year so that's good news again. What didn't do so well was the Agricultural Applications. A, it was off season, and there were pricing issues, so the overall numbers on the Agricultural side was a little lower than the previous years.

The other part of the quarter was the continued increase in copper prices and commodity prices. We had to take multiple price corrections. Overall, during the quarter, we took a correction of about 12% in the selling prices and most of the input price increases have been covered. Utilization, like I mentioned earlier, solar, auto and power cable plant utilizations are in the late 70s, Others are catching up.

Moving to the Communication Cable side, then OFC volumes were up by almost a third. The issue in this segment is that during the quarter and prior quarters, fiber prices had been depressed. We are now seeing a reversal of that trend globally. Fiber prices are hardening. The overall demand outside of India.

In fact, including India has strengthened considerably. We are now witnessing a period of shortage both on the preform side as well as on the fiber side. That is, as we speak today, and prices are hardening so from an average of about slightly under \$3, which was prevailing during quarter 3, the prices currently as on date, are closer to \$5 a month so that's the extent of the demand pull that has happened over the last few months. The net effect of this will be seen in the coming quarters.

As a corollary, the investment that we are making on both the preform factory as well as in the expansion on draw towers. Those investments -- the work is progressing fairly good. Currently, the preform factory is under production trials, and we expect to commission it within this fiscal.

The Fiber draw expansion, the building is more or less ready. Equipment for Phase 1 that is to take up the fiber capacity from 4 million to 6 million, that equipment is already at site and as soon as the cleanroom work is completed, we will start the installation there and the second part from 6 million to 8 million, that equipment is expected to reach by March end. We expect to have a fiber draw capacity of about 8 million kilometers by end of Q1 in the coming fiscal.

Capex. In the quarter, we spent about INR 36 crores and for nine months, it is INR 146 crores in line with the projections that we had made in the beginning of the year so most of those projects should be coming to a solution by now. We had a very good quarter, like I said earlier, and that also reflected in the cash flows.

The cash flow from operations was about INR 78 crores for the three months, against INR 9 crores in the corresponding period last year and INR 220 crores for the nine months against INR 75 crores in the corresponding period of last year.

This is broadly the comments on the performance. Additionally, one single point I would like to make is that after the announcement of the new labor code going live effective 21st of November, we have reassessed the obligations towards gratuity and have taken a provision of INR 6 crores, which has been booked in this current quarter.

So that's it from me for opening remarks. So now I'm open to questions. Thank you.

Moderator:

Thank you. The first question comes from the line of Vidit Trivedi with Asian Market Securities.

Vidit Trivedi: Thank you for the opportunity. Sir, any update on the BharatNet project as of now? And I just wanted to know your views on the way commodity is behaving and the overall outlook? And how many price hikes have we taken as of today?

Mahesh Viswanathan: Okay. So let me talk about the commodity first. Well, it's very difficult to predict where it will reach and how long it will stay there. Even in the last couple of weeks, you have seen movements which have taken it up to 14,000, then it's back to 12,800 and then again back to 13,200. It is a bit of a yoyo at this point in time. Difficult to predict how the swings are likely to be.

What we have always been doing and we will continue to do is to not take long calls, look at what we need to produce and therefore, procure only that much quantity and buy on average, which is what we've been doing all along and treat it as a pass-through to the extent possible. While there will be a lag in passing on any changes, that will even out over a longer period of time.

The next part of your question was how many price changes have we taken? Last quarter, we took 5, with an overall correction of about 12% in the selling prices. This quarter, between January and today, we have already done two changes. So as and when it is necessary, depending on how the fluctuation is or how big the fluctuation is, we will take that call. We also need to keep in mind as to what level the market can bear because at some point, things might become inelastic, so we keep that in mind.

Your second point was on BharatNet. As I mentioned in the earlier call, we have not secured a direct position on the BharatNet Phase 3 tenders that were floated by BSNL. But given the fiber position in the global market at this point in time, we are getting inquiries from participants who have secured positions, so it's a little too early yet, but we are hopeful that there will be adequate business for us over the next two years from these projects.

Vidit Trivedi: Okay. Sir, second question is on the inventory days. They have improved significantly from 69 to 61 days. So what are the structural changes in the supply chain we have taken in this area? And can we expect further improvement, bring it down to at least 50 - 55 days in the coming quarters?

Mahesh Viswanathan: That would be a little difficult, I think, what we are trying to do is to look at each segment of the inventory change. So how much should be in raw material, how much in work in process and how much in finished goods, we have been squeezing all 3. I mean, and this can only happen when two things change. A-your raw material supply, that chain is kept open, and there is a continuous speed from there and B-, our operating efficiencies at the plant goes up, and that will happen as capacity utilizations improve.

And the last one is at the field level in terms of improving service, which will mean the waiting period for the customers will be lower, and we should be able to service practically on demand. We are trying to squeeze all three areas. I think, two months cycle across the chain is reasonable given the fact that when you get into industrials and automobile cables, the number of SKUs are substantially large.

It is not just like -- it's not like building here, where the number of SKUs are limited. But as we get into flexibles and auto cables, the number of SKUs are substantially high, and you need to have sufficient production runs or minimum order quantity for each of those runs for you to run an efficient operation.

So there will be a slight trade-off between efficiency and in the overall efficiency numbers. and we try to limit it to about two months.

Vidit Trivedi: Got it. I'll just squeeze one more question. There's a significant amount sitting in your capital work in progress, almost INR 307-odd crores. So what's the specific project it is tied to? And when can we expect it to be commissioned?

Mahesh Viswanathan: A lot of it is tied up on the preform project so as I mentioned in my opening remarks, at the preform factory right now, production trials are ongoing, and we expect to commission the plant by next month, so when that is done, out of the INR 300 crores, about INR 230 crores or INR 220 crores, somewhere around that will get capitalized, so then you will only be left with what is there for the fiber draw towers, which will get capitalized in the coming quarters.

Vidit Trivedi: Got it, sir. Thanks a lot, all the best.

Moderator: The next question comes from the line of Shreya Wazir from BMSPI Capital. Please go ahead

Shreya Wazir: Thank you for the opportunity. There has been a lot of talks on a few big players with deep pockets entering the space. So how do you see their capacities ramping up? And what product segments of Finolex will get affected and how? If you could just throw some light on -- if you see a meaningful impact on our business operations due to the entrance of these players?

Mahesh Viswanathan: Okay. So over the last one year, there have been announcements from the Birla side, they are coming in from the cement group. They are putting up a cable wire and cable factory. Our information is that it is likely to get into production more sometime next calendar year. The information that I have is, it's probably around second or third quarter next year and that will be on the wire side, that will be in direct competition to us.

The second piece of information was about, Adani is getting into wire and cables. Barring the initial announcement, nothing more has been heard from them, so we do not know yet if their plans include introduction in '27 or '28 or '29. That is still something that we are not clear about. But yes, there will be competition to a large extent on the wire space, but we do believe that there is sufficient space for players to coexist.

Competition will intensify. And I think in a way that's okay, we should be able to handle those pressures. That much that I am aware of besides this.

Shreya Wazir: Okay. And my second question is, what is Finolex's strategy to grow its Telecom Cable business? As in what is the total market opportunity for players like Finolex from the data center building in India and globally, respectively? And how is Finolex building its product portfolio to participate in this opportunity?

Mahesh Viswanathan: Yes, you're right. Data centers will have an impact not just the telecom operations, it will also have an impact on our power cable operations because data centers will be massive consumers of power and they will need fairly heavy sized pipes for power consumption besides fiber as well as land cables, so that could lead to more market size in terms of the optic fiber cables that would be available for sale.

In that context, I think our integration backwards into making preforms, expanding our fiber draw capacity, all this is a part of preparing for that additional volumes that are expected to come. Currently, the glass preforms are all imported by us. There is only one manufacturer in the country, which is Sterlite. We would be the second entity there and so what it means is it reduces import dependence. At the same time, brings a certain self-sustenance part there.

Simultaneously, we are also expanding our fiber draw capacity. We're doubling it over the next three months so that would again make products available. Designs that would be necessary for data center applications, we already can make them, that is not so big a challenge. The capacity to make those is also available with us at this point in time so again, that is not a big challenge.

Material availability at the moment, is an issue. Like I mentioned in my opening remarks, the market has changed over the last 3 to 4 months and at the moment, neither fiber, nor preform is available for literally any amount of money so the demand scenario has changed at this point in time. I think our additional capacity coming into play at this time is going to be beneficial for us.

Shreya Wazir: Thank you so much and all the best.

Moderator: The next question comes from the line of Srinivasan with Sundaram Mutual Fund. Please go ahead.

Srinivasan: Thank you for the opportunity. Two questions. Firstly, on our expansion that we are doing, I think, you had mentioned that some 4 million kilometers, we are going to 8 million kilometers by Q1 FY '26. So I wanted to know like, what is the revenue that we could generate this asset and if you can tell me like how the margin profile has improved -- will improve because you were mentioning about realization going up from about \$3 to \$5.

Mahesh Viswanathan: Correct. So over the last two to three years, the demand globally was a little depressed in relation to capacities available, so prices which were running at about \$4.5 had slipped to slightly above \$2 over the last 2 - 2.5 years and that has now changed in the last few months. We understand that there is a lot of application in the Defense industry. We also understand that there is a lot of applications in the Data Center industry overseas, which is pushing this demand to these levels.

And as the previous participant asked, has more and more data centers get up to a functioning stage in India, this demand in India will also increase. Add to it, the BharatNet and other programs that are likely to come in the future. I think over the medium and long term, the demand is fairly robust.

The issue in this industry has been where you are dependent on the telecom side and especially in our country, bulk of the funding comes from government programs and if that funding is not

consistent or sustained over a period of time, then you do have blips plus government programs do have this tendency of time lag between announcement and tendering and then again, execution, so those have been issues in this industry.

But I think with the committed funds for those programs, we should see a period where over the next few years, besides data centers, you will also get in AI applications, and a lot of fiber will be required. The fiber design or construction might be different for different applications, but the overall demand is likely to be fairly robust.

Currently, we have a market share of about 11% - 12% in India. The biggest player is Sterlite followed by the Birla Cables and then HFCL. But we should be able to grow from here on with our additions to capacity.

Srinivasan: Sir, could you just answer the second part of my question. Like what is our current capacity to 4 million, what is the potential in terms of top line and what margin do you think we can expect?

Mahesh Viswanathan: The top line potential is not simply multiplication of the capacity times the fiber prices. The top line will depend on the cable selling prices and again, cable selling prices will depend on the design of the cable. It should go up now with fiber prices going up but depending on the configuration within the cable prices can go up to INR 1,50,000 to INR 1,80,000 per kilometer of different kinds of cables.

It's a little difficult to estimate it, but let me try. I think with the additional capacity that we have put up, total revenues from this can go to about anywhere between INR 600 crores to INR 700 crores in a full year.

Srinivasan: Okay. This is the additional revenue or the overall revenue you see, sir?

Mahesh Viswanathan: This would be the total revenue.

Srinivasan: Okay. And margins, how is the margin improvement here for us given the prices have gone up?

Mahesh Viswanathan: If you look at our numbers, if you go back and look at our numbers. When utilizations were higher than 75% or so, we have generated margins -- EBIT margins of around 9-odd percent. It's only in the last three years or so, that number has fallen to the levels they are now 2.5% or so, there is a potential that it can go to about 8%- 9%.

Srinivasan: Got it. Sir, and just one last question. We generate a very healthy amount of cash flow every year. So what is our plan in terms of reinvesting after this?

Mahesh Viswanathan: Okay. So like I mentioned in the beginning, capacity utilizations are starting to go up. I also mentioned to you that, automobile and solar applications are touching their 80% numbers, so those are areas where we can look at additional investment, there is a need as well. Even within the construction wire, as we see capacities climbing beyond 70%, we should start planning for something new.

So because planning to execution will take about a year and a half. As we see those numbers inching up and touching 70%, we would start planning those, those are the areas where we will

invest whether it will happen next year or the year after, that will depend on how quickly the ramp-up happens.

We had already mentioned other potential areas where we could grow. And two quarters ago, we commissioned our E-Beam plant and that opens up multiple applications for us. As we get the clearances and certifications, we should start investing for those applications as well. So these are possible areas.

Srinivasan: Thank you, sir.

Moderator: The next question comes from the line of Veenit within Investec.

Veenit: Thank you for giving the opportunity and very strong set of numbers. Congratulations on that. Couple of questions from my side. One is the inventory levels in the channel, given such a strong growth we've had within the industry and considering the price increases we've had. Would it be right to assume that, that would have been a somewhat of revamp which would have happened in Q3, and consequently, at least at the start of Q4, the channel inventories would have been much higher than it should?

Mahesh Viswanathan: I believe so, yes, the channel inventory would have been higher than it should, I believe yes.

Veenit: And sir, if you go to as guess, how much could it be different than the usual levels?

Mahesh Viswanathan: I think for all the participants in this industry, some amount of volumes were pushed by the constant commodity price increases. The trade probably that they would make -- if you buy a low and then as the price is increasing, you would get to sell it at a higher price. To some extent, I'm sure that it's there. But for whom, how much is a difficult guess to do -- and I think, I will refrain from that. But I am sure, there was some.

Veenit: Understood. Understood. Sir, my second question is on margins. Now pre-COVID or maybe '16, '17, '18, we used to do mid-teens sort of EBIT margins for the Cables division, those subsequently came down to low-teens and then subsequently now, it's in low double-digits. Sometimes we also recorded high single-digit margins in that segment.

Now I understand you've had a change in distribution model, which has had an impact by 2% to 3% on those margins. But what is led to such a sharp margin drop in the segment? And should we think that these are the bottoms and should they stabilize or we should see an improvement from here on?

Mahesh Viswanathan: Okay. I think a similar question was asked during the last call as well. Yes, there was a time when we used to do about 15%-16%. But then we brought in distribution. So some money had to be surrendered there to ensure that the distributors' costs are managed. So I think the sustainable level is anywhere between 11% and 12%.

Above that, in today's context, with intensified competition is really difficult to sustain. You might have the hard quarter when you do better than that. But I think what should be sustainable would be between 11% and 12%. We are slightly behind that at this point in time. That also has

to do a little bit with the change in mix. More of automobile, cable-related sales are more of industrial products tend to depress the margin a little bit because of the nature of that business.

As the volumes grow faster and higher on the construction side, then the balancing would happen. So, last quarter, the margins were about 11.5% or so. This quarter, it is dipped a little bit. So it depends on which quarter what takes higher share of the pie. So the mix is also a little bit of an issue.

Veenit: But sir, just as we were discussing some time back, the competition is likely to intensify in the next 12 months' time, don't you think, again, that will have some bit of pressure, if not much and consequently margin expansion from these levels will be tough?

Mahesh Viswanathan: There would definitely be some pressure. I don't discount that at all and we need to be prepared to handle that, I think one of the things that we are doing right now is to make sure that our channel continues to be motivated, that our distribution network continues to be motivated.

We also educate them more about life cycle costs and things like that, so that people understand that when they buy a product like ours, when you use it, you use it for 20, 30, 40 years and so your investment at this point in time is going to pay you back over those 30, 40 years. and everybody may not have the same level of quality that we have, that is something that we would need to reinforce in our marketing picture.

Veenit: Okay, understood. Thank you so much.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, that was the last question for today. I now hand the conference over to the management for closing comments.

Mahesh Viswanathan: Thank you, ladies and gentlemen for participating in this conference today. I hope the interaction has been of use to you. If there are questions, please do reach out to us. Thank you.

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

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