

Ram Ratna Wires Limited

October 29, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	1,046.45	CARE A-; Positive / CARE A2+	Assigned
Long-term / Short-term bank facilities	RBI	535.00 (Enhanced from 355.00)	CARE A-; Positive / CARE A2+	Reaffirmed; Outlook revised from Stable
Long-term bank facilities	RBI	401.00 (Enhanced from 293.95)	CARE A-; Positive	Reaffirmed; Outlook revised from Stable
Short-term bank facilities	RBI	804.50 (Enhanced from 313.00)	CARE A2+	Reaffirmed

Details of facilities in Annexure-1

Rationale and key rating drivers

Ratings assigned to bank facilities of Ram Ratna Wires Limited (RRWL) continue to derive strength from its experienced and resourceful promoters, prominent position in the copper winding wires industry in India, and its long-standing association with reputed clientele. Ratings also take cognisance of healthy growth in RRWL's scale of operations in FY26 (FY refers to April 1 to March 31) and Q1FY27 aided by successful completion of its large-sized copper tubes manufacturing capacity and its adequate liquidity.

However, rating strengths are partially offset by RRWL's thin profitability, due to limited value addition, leveraged capital structure, and moderate debt coverage indicators on the back of recently completed debt-funded capex and high reliance on debt for working capital requirement, susceptibility to copper price volatility, and prevalent competition in the copper winding wire industry from the unorganised segment.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Optimal utilisation of expanded capacity, resulting in substantial growth in scale of operations to more than ₹7500 crore on a sustained basis, while maintaining its profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin over 5%.
- Improvement in debt coverage indicators marked by PBILDT interest coverage above 4x and total debt to PBILDT (TD/PBILDT) below 2.50x on a sustained basis.

Negative factors:

- Large-sized debt-funded capital expenditure or higher-than-envisaged increase in working capital intensity, leading to deterioration in overall gearing above 2x on a sustained basis.
- Deterioration in scale of operations or profitability margin compared to that envisaged leading to moderation in PBILDT interest coverage below 2.50x on a sustained basis.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has taken a consolidated view of RRWL and its subsidiary, Tefabo Products Private Limited (TPPL; 64% stake) and joint ventures (JVs) - EPAVO Electricals Private Limited (EEPL; 50% stake), and RR-Imperial Electricals (10% stake), considering managerial and operational linkages. Details of the entities consolidated are shown in Annexure-5.

Outlook: Positive

Outlook on long-term rating of RRWL has been changed to 'Positive' on CareEdge Ratings' expectation of sustained healthy growth in its scale of operations, driven by the recent operationalisation of its large-sized copper tube manufacturing capacity, which is expected to result in improvement in RRWL's overall financial risk profile. Outlook may be revised to 'Stable' in case the company is unable to achieve envisaged scale of operations resulting in lower-than-expected debt coverage metrics.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Detailed description of key rating drivers

Key strengths

Experienced promoters

RRWL is a part of the RR Global group having reputed brands, such as RR Kabel (engaged in production of light duty electric cables), RR Parkon (automated multilevel car parking systems), and RR Busduct (busway systems for electrical power distribution in industrial and commercial facilities). Other noteworthy entity of the group is MEW Electricals Limited, which manufactures bus bars and enamelled copper winding wires.

RR Global group is promoted by Rameshwarlal Kabra, who has over five decades of extensive experience in enamelled copper winding wire industry. Currently, the company's operations are managed by Mahendra Kabra (Managing Director, second generation), having over three decades of experience in wire, cable, and electrical product segment. He is supported by his son, Hemant Kabra (Joint Managing Director, third generation), who has been associated with the company for over a decade, manages finance, marketing, and industrial and consumer product business.

Established market position catering to a reputed clientele base

RRWL is one of the leading players in the organised copper winding wires industry in India. The company caters to industries, such as power, auto, consumer durables and transformers, and construction, among others. In the last three decades, RRWL has established long-term relationship with reputed original equipment manufacturers (OEMs), and it currently supplies ~70-75% of its products to large OEMs, and balance sales are generated through its established dealer network. In addition to its core winding wire business, the company has diversified into manufacturing copper tubes, strengthening its product portfolio, and enhancing its presence in the copper value chain.

Healthy growth in scale of operations

RRWL's scale of operations as marked by its total operating income (TOI) grew significantly by 41% year-on-year (y-o-y) from ₹3,684 crore in FY25 to ₹5,187 crore in FY26, driven by strong demand across key end-user industries. Revenue growth was supported by 9% y-o-y volume expansion in the copper winding wire segment and a robust 113% y-o-y increase in the copper tube segment, aided by the ramp-up of recently commissioned large-scale capacity. The company's installed capacity for the copper winding wire segment has consistently increased by ~1.5x in last five years ended in FY26. Despite the significant capacity expansion, utilisation levels remained at ~73% in FY26 (for copper wires segment).

CareEdge Ratings expects sustained healthy growth in RRWL's scale of operations supported by healthy demand for copper wires and ramp up of commercial production in its copper tubes division.

Successful completion of copper tubes facility

RRWL's copper tubes business was earlier housed under its erstwhile subsidiary, Global Copper Private Limited (GCPL), at its Vadodara facility. Pursuant to the amalgamation of GCPL with RRWL, the business was integrated into RRWL in Q1FY26.

Subsequently, the company has successfully completed the expansion of its copper tubes manufacturing operations through the commissioning of a new facility at Bhiwadi, Rajasthan, and the new facility is fully operational now.

The domestic copper tube industry continues to be characterised by a high dependence on imports coupled with the government's initiatives to promote local manufacturing and increasing localisation by OEMs. The demand remains favorable over the medium term, supported by strong growth expected in the air-conditioning and refrigeration (AC&R) industry driven by rising urbanisation, increasing disposable incomes, and increasing penetration.

Supported by its established relationships with leading OEM customers and the recently commissioned manufacturing capacity, RRWL expects to achieve optimal capacity utilisation in the near-to-medium term. Nevertheless, timely ramp-up of the new facility with achievement of envisaged revenue and profitability levels, and efficient management of the incremental working capital requirements associated with expanded operations remain key monitorable from a credit perspective.

Key weaknesses

Low value addition resulting in thin profitability

As a result of low value addition in the winding wires industry, the company's PBILDT margin has remained range bound between 4% to 5%. However, with gradual operationalisation of new copper tubes facility the company's PBILDT improved marginally from 4.46% in FY25 to 5.27% in FY26. Profit after tax (PAT) margin remained relatively stable at 2.05% (PY: 1.91%), due to

increase in depreciation and interest expense (related to recently completed expansion capex). While PBILDT margin remained largely stable, PBILDT /MT improved significantly by more than 35% Y-o-Y in FY26, driven by a changing product mix, rising contribution from specialised products, and increasing number of end-use sectors.

Leveraged capital structure and moderate debt coverage indicators

RRWL's capital structure as marked by its overall gearing ratio remained leveraged at 1.96x as on March 31, 2026, against 1.28x as on March 31, 2025, due to term debt availed for copper tubes division capex and increased working capital borrowings (included letter of credit [LC] backed acceptances to support growing scale of operations) as on March 31, 2026. Consequently, the company's total outside liabilities to tangible net worth (TOL/TNW) also increased in tandem with overall gearing ratio from 1.69x as on March 31, 2025, to 2.48x as on March 31, 2026.

Despite increased debt levels, debt coverage indicators continued to remain moderate supported by higher profitability, with PBILDT interest coverage and total debt to gross cash accruals (TD/GCA) of 3.27x (PY: 3.01x) and 7.14x (PY: 6.22x), respectively, in FY26.

With term debt availed for the recently commissioned copper tube capex and increased working capital borrowings to support the expanding scale of operations, RRWL's negative sensitivity pertaining to total debt/ PBILDT was triggered. However, the same is expected to fall below the negative threshold with envisaged growth in scale of operations and sustained profitability.

Going forward, CareEdge Ratings expects an improvement in the company's capital structure, aided by steady cash accrual generation and only moderate-sized debt-funded capex planned.

Profitability susceptible to volatility in raw material prices

RRWL's profitability is exposed to sharp fluctuations in raw material prices (mainly copper), which forms ~95% of total cost of sales for the company. Majority (over 95%) inventory holding remains order-backed, where raw material is sourced back-to-back from suppliers against confirmed orders, mitigating price volatility of raw materials to a large extent.

Presence in a competitive copper winding wire industry

RRWL operates in a highly competitive and fragmented copper winding wire industry characterised by the presence of numerous organised and unorganised players, given the low technical expertise requirement and value addition in manufacturing winding wires. RRWL is one of the largest organised players in the industry, and its long-standing relationships provide it with a competitive edge over unorganised players in the industry.

The copper tubes segment, while comparatively less fragmented and requiring higher technical capabilities, also faces competition from domestic manufacturers and imported products. RRWL's expanded manufacturing capacity, established relationships with leading OEM customers, and ability to offer domestic sourcing solutions position it favourably to benefit from the expected growth in demand, although maintaining competitiveness against imports and achieving the envisaged scale-up remain key monitorable.

Liquidity: Adequate

RRWL's liquidity remained adequate characterised by sufficient cushion in its GCA against debt repayment obligation, moderate utilisation of working capital limits and lean operating cycle.

The company reported GCA of ₹153 crore in FY26 and expected to report GCA of ₹200-250 crore in FY27-FY29, against scheduled debt repayment obligation to the tune of ₹53-62 crore in the same period. RRWL's cashflow from operations (CFO) reduced from positive ₹230 crore in FY25 to negative ₹86 crore in FY26, due to increased working capital requirement with growing scale of operations.

RRWL's working capital cycle remained lean at 23 days in FY26, in line with the previous year. The company's receivable days improved gradually from 53 days in FY22 to 26 days in FY26, owing to efficient utilisation of channel financing mechanism (non-recourse) and discounting / factoring invoices of its customers. Average month-end utilisation of working capital limits (fund-based + non-fund-based [FB+NFB]) remained moderate at 75% for 12 months ended June 2026.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks:

Environmental	<ol style="list-style-type: none"> 1. In FY26, the company commissioned a 4 MW solar power plant, augmenting its existing renewable energy capacity comprising 1.35 MW of solar and 2.1 MW of wind installations. 2. Achieved improvement in energy intensity (0.6818 in FY26 vs. 0.7759 in FY25) and reduction in greenhouse gas (GHG) emission intensity per turnover (0.1212 vs. 0.1373). 3. Implemented rainwater harvesting, tube-water treatment facilities and sewage treatment plants (STPs) with combined capacity of 55 kilo litres per day (KLD). 4. Approximately 86.3% of raw materials were sourced from environmentally responsible vendors. 5. Holds ISO 14001:2015 certification and received an EcoVadis Silver Badge, placing the company among the top 7% of assessed companies globally.
Social	<ol style="list-style-type: none"> 1. Comprehensive occupational health and safety framework aligned with ISO 45001:2018 standards across operations. 2. Reported zero fatalities, zero lost-time injuries. and zero recordable workplace injuries in FY26. 3. Human rights, anti-discrimination, and grievance redressal mechanisms are in place, with no reported incidents relating to prevention of sexual harassment (POSH), child labour, forced labour or discrimination.
Governance	<ol style="list-style-type: none"> 1. Board Composition: Board comprises 10 directors, including five independent/non-executive directors and one woman director. 2. Audit Committee, nomination and remuneration committee (NRC), stakeholders' relationship committee and corporate social responsibility (CSR) Committee are chaired by independent directors. 3. The Board of Directors, through its committees, oversee the ESG initiatives and performance.

Applicable criteria:
[Consolidation](#)
[Definition of Default](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Non Ferrous Metal](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)
About the company and industry
Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Industrial products	Aluminium, copper, and zinc products

RRWL (CIN: L31300MH1992PLC067802) was incorporated in 1992 by Rameshwarlal Kabra and his sons, Tribhuvan Prasad Kabra, Mahendra Kumar Kabra, and Shreegopal Kabra. In 1995, the company was listed on the Bombay Stock Exchange (BSE).

RRWL is engaged in manufacturing enamelled copper and aluminium winding wires, submersible winding wires and copper tubes under RR Shramik brand. RRWL has three manufacturing facilities at Dadra Nagar Haveli, for copper winding wires, aluminium winding wires, and submersible winding wires, while it has two manufacturing facilities at Baroda, Gujarat, and Bhiwadi, Rajasthan.

Brief Financials (₹ crore) - Consolidated	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27 (UA)
Total operating income	3,683.72	5,186.85	1,855.62
PBILDT	164.31	278.59	90.51
PAT	70.20	108.60	35.16
Overall gearing (times)	1.28	1.96	NA
Interest coverage (times)	3.01	3.27	2.86

A: Audited; UA: Unaudited; Note: These are latest available financial results.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	RBI	Not Applicable	-	-	-	-	55.00	CARE A-; Positive
Fund-based - LT-Term Loan	RBI	Not Applicable	-	-	-	30-06-2030	346.00	CARE A-; Positive
Fund-based - LT/ ST-Working Capital Demand loan	RBI	Not Applicable	-	-	-	-	55.00	CARE A-; Positive / CARE A2+
Fund-based - LT/ ST-Working Capital Limits	RBI	Not Applicable	-	-	-	-	80.00	CARE A-; Positive / CARE A2+
Fund-based - ST-Working Capital Demand loan	RBI	Not Applicable	-	-	-	-	60.00	CARE A2+
Fund-based/Non-fund-based-LT/ST	RBI	Not Applicable	-	-	-	-	1046.45	CARE A-; Positive / CARE A2+
Non-fund-based - LT/ ST-BG/LC	RBI	Not Applicable	-	-	-	-	400.00	CARE A-; Positive / CARE A2+
Non-fund-based - ST-Letter of credit	RBI	Not Applicable	-	-	-	-	744.50	CARE A2+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT/ST-Working Capital Demand loan	LT/ST	55.00	CARE A-; Positive / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (30-Sep-25)	1)CARE A-; Stable / CARE A2+ (09-Jul-24)	-
2	Non-fund-based - ST-Letter of credit	ST	744.50	CARE A2+	-	1)CARE A2+ (30-Sep-25)	1)CARE A2+ (09-Jul-24)	-
3	Non-fund-based - LT/ ST-BG/LC	LT/ST	400.00	CARE A-; Positive / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (30-Sep-25)	1)CARE A-; Stable / CARE A2+ (09-Jul-24)	-
4	Fund-based - LT-Cash Credit	LT	55.00	CARE A-; Positive	-	1)CARE A-; Stable (30-Sep-25)	1)CARE A-; Stable (09-Jul-24)	-
5	Fund-based - ST-Working Capital Demand loan	ST	60.00	CARE A2+	-	1)CARE A2+ (30-Sep-25)	1)CARE A2+ (09-Jul-24)	-
6	Fund-based - LT/ST-Working Capital Limits	LT/ST	80.00	CARE A-; Positive / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (30-Sep-25)	1)CARE A-; Stable / CARE A2+ (09-Jul-24)	-
7	Fund-based - LT-Term Loan	LT	346.00	CARE A-; Positive	-	1)CARE A-; Stable (30-Sep-25)	-	-
8	Fund-based/Non-fund-based-LT/ST	LT/ST	1046.45	CARE A-; Positive / CARE A2+				

LT/ST: Long term/Short term, LT: Long term, ST: Short term.

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Lender details**To view lender-wise details of bank facilities please [click here](#)**Annexure-5: List of entities consolidated:**

Sr No	Name of the entity	% of RRWL's shareholding	Extent of consolidation	Rationale of Consolidation
1	Tefabo Products Private Limited	64%	Full consolidation	Subsidiary
2	EPAVO Electricals Private Limited	50%	Equity Method	Joint Venture
3	RR - Imperial Electricals (JV)	10%	Equity Method	Joint Venture

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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