

Cords Cable Industries Limited

October 08, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	167.00	CARE BBB+; Stable / CARE A3+	Upgraded from CARE BBB; Stable / CARE A3
Long-term bank facilities	RBI	97.29 (Enhanced from 84.10)	CARE BBB+; Stable	Upgraded from CARE BBB; Stable
Short-term bank facilities	RBI	40.00	CARE A3+	Upgraded from CARE A3

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Upgrade in ratings assigned to bank facilities of Cords Cable Industries Limited (CORDS) factors in healthy growth in scale of operations, continuous net worth accretion and prudent capital structure, extensive experience of promoters and long track record of operations. Ratings also consider it's the company's established relationship with reputed and diversified client base due its diversified range of products and its established position in the control, instrumentation and power cables market and an increasing focus on diverse sectors. Ratings further continue to derive comfort from growing scale of operations with moderate profitability margins for three fiscals ending FY26 (refers to April 01 to March 31). However, ratings continue to remain constrained by its working capital intensive operations, the company's moderate financial risk profile and margins susceptible to raw material price volatility and its presence in highly competitive and fragmented cable industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in Profit before interest, lease rentals, depreciation and taxes (PBILDT) margin beyond 8% on a sustained basis along with consistent growth in the scale of operations.
- Improvement in the capital structure as marked by overall gearing ratio of below 0.70x on a sustained basis.

Negative factors

- Increase in total debt/PBILDT above 6.00x leading to weakening liquidity position.
- Significant elongation in operating cycle to 100 days, leading to weakening capital structure and adversely impacting the company's liquidity position.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectations that the company is likely to sustain its growth in operational performance in the medium term considering CORDS established position in the control, instrumentation and power cables market and its established relationships with reputed customers and steady cash flow generation

Detailed description of key rating drivers

Key strengths

Growing scale of operations with moderate profitability margins

CORDS' total operating income (TOI) has grown at a compounded annual growth rate (CAGR) of ~23% for three fiscals ending FY26. The company reported TOI of ₹955.36 crore and gross cash accruals (GCA) of ₹30.03 crore, respectively, in FY26 (FY refers to April 01 to March 31) against ₹794.56 crore and ₹22.94 crore, respectively, in FY25. This growth has been primarily driven by higher sales volumes across product categories, primarily control and power cables, supported by improved capacity utilisation, strong demand, and a growing customer base, notably from the solar and renewable energy sector, among others. The company's profitability margins stood range-bound between 6-7%, considering significant contribution of metal-based raw materials to

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.

overall production costs. While power cables reported significantly higher average realisations compared to control cables and instrumentation cables, their margin profile remains relatively lower. This is because power cables are manufactured using aluminium and copper, with aluminium being a relatively lower-value metal, and involve substantially higher material consumption due to their larger size and diameter. Consequently, higher realisations primarily reflect greater raw material content rather than higher value addition. As a result, despite favourable growth in volumes and revenues, the company's operating margin remained modest and broadly range-bound in FY26.

Moderate financial risk profile with a positive improvement trajectory

The company's capital structure stood moderate considering satisfactory net worth base of ₹201.73 crore as on March 31, 2026, as reflected by overall gearing ratio, which stood at 1.10x as on March 31, 2026, supported by accretion of profits to its net worth, resulting in a stronger capital structure. The company availed emergency credit line guarantee scheme (ECLGS) of ₹14.92 crore to support its working capital requirement and a term debt of ₹10.00 crore, which will be used for upgradation of machinery. Total cost of upgrading machinery will be ~₹15.00 crore, which will be funded through a mix of debt and internal accruals. The company's debt coverage indicators as marked by interest coverage ratio and total debt to GCA (TD/GCA) continue to have shown slight improvement and stood at 2.33x and 7.37x, respectively, in FY26 (PY: 1.96x and 9.75x, respectively) due to improved profitability.

Experienced promoters with long track record of operations

Naveen Sawhney, promoter, Chairman and Managing Director of CORDS, has been associated with the cable industry for over five decades with extensive experience in manufacturing cables. He is a mechanical engineer and holds a post graduate diploma in management. CORDS has been engaged in manufacturing cables since 1991 and over the years expanded capacities and increased their product portfolio. This long-standing experience and expertise in industry enabled them to establish healthy relationships with customers over the years, enabling them to garner repeat orders. The company has manufacturing facilities at Chopanki and Kaharani in Rajasthan.

Established relationship with reputed and diversified client base

CORDS is an approved supplier for several public sector undertakings (PSUs) from the oil sector and is also an approved vendor for the supply of cables to hydrocarbon refineries. With the grant of Bureau of Indian Standards (BIS) licence for 1.9/3.3 kV Power cables and National Accreditation Board for Testing and Calibration Laboratories (NABL) accreditation for its test laboratory, the company strengthened its position in solar power, hydrocarbon, and power and renewable energy industries. CORDS's business risk profile is supported by healthy association developed with reputed companies, which includes Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL; rated 'CARE AAA; Stable/A1+'), Larsen and Toubro Limited, and TATA Projects Limited, among others. CORDS has a diversified client base across sectors including hydrocarbons, power and renewable energy, cement, metals, metros and railways, freight corridors, fertilisers and chemicals, fast-moving consumer goods (FMCG), and water among others.

Diversified range of products

The company offers a diversified range of products, including instrumentation cables, control cables and power cables having varied industry uses. In FY26, power cables accounted for the largest share of revenue at 51%, followed by instrumentation cables at 22%, with the remainder coming from control cables.

Key weaknesses

Working capital intensive nature of operations

The company majorly depends on working capital borrowings to meet its short-term requirements and has highly working capital intensive operations. This is primarily because the company has to offer a liberal credit period of ~90-120 days to customers, as majority are reputed large-size players possessing high bargaining power. However, the company's working capital cycle improved to 76 days in FY26 (PY: 77 days) considering faster realisation from customers and limiting the sale to small buyers due to slow recovery. Inventory holding days have increased due to increased scale of operations to 39 days in FY26 (PY: 35 days). The company is required to maintain an adequate inventory of raw materials for the smooth running of its production processes and meet delivery schedules. The company receives a payable period of ~2 months from its suppliers, resulting in an average creditor's period of 51 days for FY26.

Margins susceptibility to raw material price volatility

CORDS operate in an industry, where raw material cost is one of the major cost drivers, which constitutes ~90% of total cost of sales. Hence, sharp raw material price increase may negatively impact the company's profitability. The company's basic raw materials, such as copper, aluminium, steel, and polymer among others experience immense volatility in their prices due to

geopolitical situations, cyclicity, intermittent supply chain disruptions, among others, which adversely impacts its profitability margins. To mitigate this risk, the company hedges its position by fixing prices with suppliers such as Vedanta Limited and others for ~3 months. At a given point of time, the company avoids taking order book size of over 3-4 months, which mitigates the risk to an extent.

Highly competitive and fragmented cable industry

Wires and cables market in world including India is highly fragmented, with presence of many small and medium enterprises. Over a period, the industry moved from unorganised to organised sector. However, significant portion of this industry is still in unorganised sector. The wire and cable industry is highly competitive with large and several small players operating in the industry with lower entry barriers. A competitive market restricts the company's pricing flexibility and puts a strain on its profitability. CORDS' business profile is expected to remain susceptible to intense industry competition.

Liquidity: Adequate

The company's liquidity position is adequate characterised by sufficient cushion in accruals against repayment obligations. The company reported GCA of ₹30.03 crore in FY26, ₹9.88 crore in Q1FY27 and is expected to generate GCA of ~₹36.63 crore in FY27 against repayment obligations of ₹8.77 crore in the same year. Average utilisation of its working capital limits stood ~79% for 12-months period ending on July 2026, which provides buffer in the company's liquidity. The company does not have significant capex plan in the near term apart from regular replacement/maintenance capex for improving efficiency of machineries and for removing bottleneck in manufacturing processes. The company plans to fund the proposed regular replacement/maintenance capex, through a mix of term loan and internal accruals.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

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About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital goods	Industrial products	Cables - electricals

CORDS (erstwhile Cords Cable Industries Private Limited) was incorporated in October 1991 as a private limited company. It was converted into public limited company (Listed) in 2008. The company is promoted by Naveen Sawhney, who has been associated with the cable industry for over five decades of extensive experience in manufacturing cables. The company is engaged in manufacturing power cables (up to 3.3 kV), control cables, and instrumentation cables. The company has two manufacturing facilities at Kaharani and Chopanki in Bhiwadi (Rajasthan).

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27 (UA)
Total operating income	794.56	955.36	247.20
PBILDT*	49.43	60.13	19.17
Profit after tax (PAT)	14.67	20.64	7.80
Overall gearing (times)	1.23	1.10	-
Interest coverage (times)	1.96	2.33	-

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

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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-Term Loan	RBI	NA	-		-	31-05-2032	53.77	CARE BBB+; Stable
Fund-based - ST-Factoring/ Forfeiting	RBI	NA	-		-	-	40.00	CARE A3+
Fund-based-Long Term	RBI	NA	-		-	-	43.52	CARE BBB+; Stable
Non-fund-based - LT/ST-BG/LC	RBI	NA	-		-	-	167.00	CARE BBB+; Stable / CARE A3+

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-Long Term	LT	43.52	CARE BBB+; Stable	-	1)CARE BBB; Stable (10-Oct-25)	1)CARE BBB; Stable (07-Oct-24)	1)CARE BBB; Stable (04-Oct-23)
2	Fund-based - ST-Factoring/ Forfeiting	ST	40.00	CARE A3+	-	1)CARE A3 (10-Oct-25)	1)CARE A3 (07-Oct-24)	1)CARE A3 (04-Oct-23)
3	Non-fund-based - LT/ ST-BG/LC	LT/ST	167.00	CARE BBB+; Stable / CARE A3+	-	1)CARE BBB; Stable / CARE A3 (10-Oct-25)	1)CARE BBB; Stable / CARE A3 (07-Oct-24)	1)CARE BBB; Stable / CARE A3 (04-Oct-23)
4	Fund-based - LT-Term Loan	LT	53.77	CARE BBB+; Stable	-	1)CARE BBB; Stable (10-Oct-25)	1)CARE BBB; Stable (07-Oct-24)	1)CARE BBB; Stable (04-Oct-23)

LT: Long term; ST: Short term; LT/ST: Long term/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:** Not applicable

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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