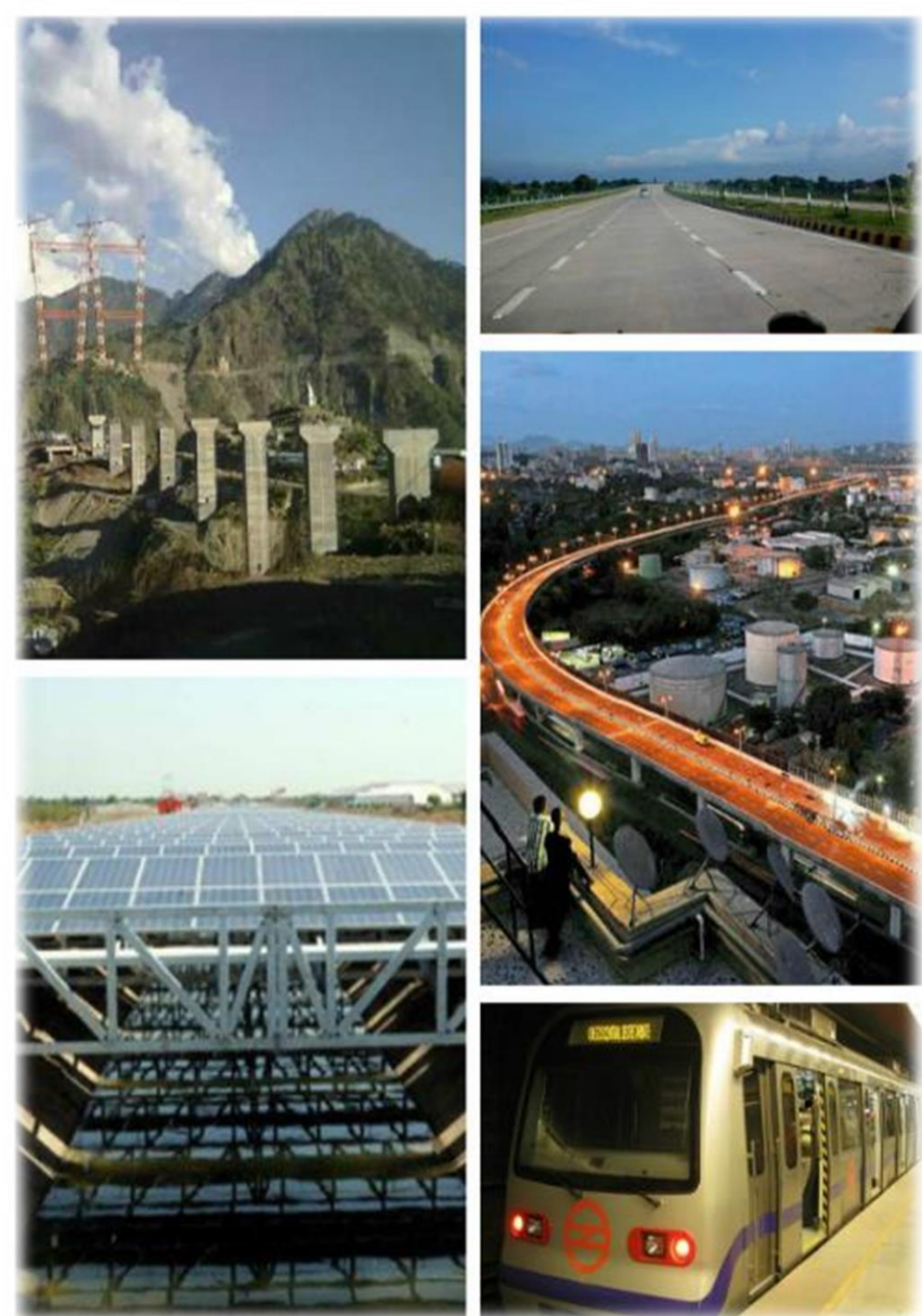




Investor Presentation – February 2018



# Safe Harbour

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# A Specialized Control and Instrumentation Cable Company

Long standing customer relationships of over 20 years

The company will benefit from the modernization and upgradation of infrastructure

Current Capacity stands at 65,000 Kms. p.a.

95% of our orders are based on customer specifications

85% of our cables constitute **Instrumentation & Data Cables** and 15% is **Power Cables**

We have approvals from large public sector as well as private customers



... offering Wide Range of Products to Multiple Industries

Instrumentation Cables

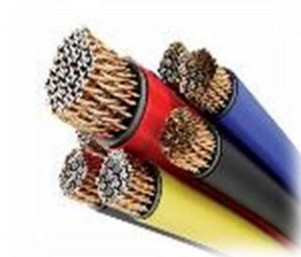
Thermocouple Cables

Control Cables

LV Power Cables

**SPECIAL CABLES**

Fieldbus Cables  
Low Temperature Cables  
Eurobalise Railway Safety Cables  
Solar PV Cables  
Railway Jelly Filled Quad Cables  
Special Cables for Oil & Gas  
Water Desalination  
EPR Cables  
Silicon Rubber Cables  
Fire Survival Cables  
Low Smoke Halogen Free Cables





# ... with a Diverse Portfolio of Products

## Catering to the New Age Demand

### Thermocouple Cables

**Application:**

- ✓ Used to extend thermocouple circuits from the sensor to reference unit

### Control & Electrical Wiring Cables

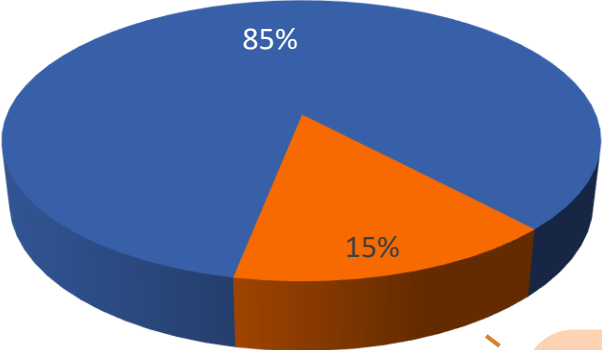
**Application:**

- ✓ **Control Cables:** Used in interconnection of process control, communication and panel control systems
- ✓ **Electrical Wiring Cables:** Used for electric power, lighting & internal wiring

### Instrumentation, Signal and Data Cables

**Application:**

- ✓ Used in data acquisition systems, computer networking, PA systems, digital control / measuring & communication systems
- ✓ Specially designed to transmit signals without any external interference



### Sales Composition

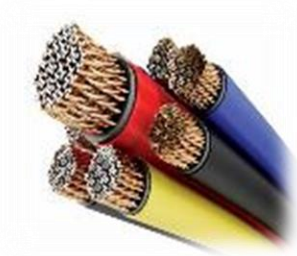
- Instrumentation & Data Cables
- Power Cables

## And Traditional Demand

### LV Power Cables

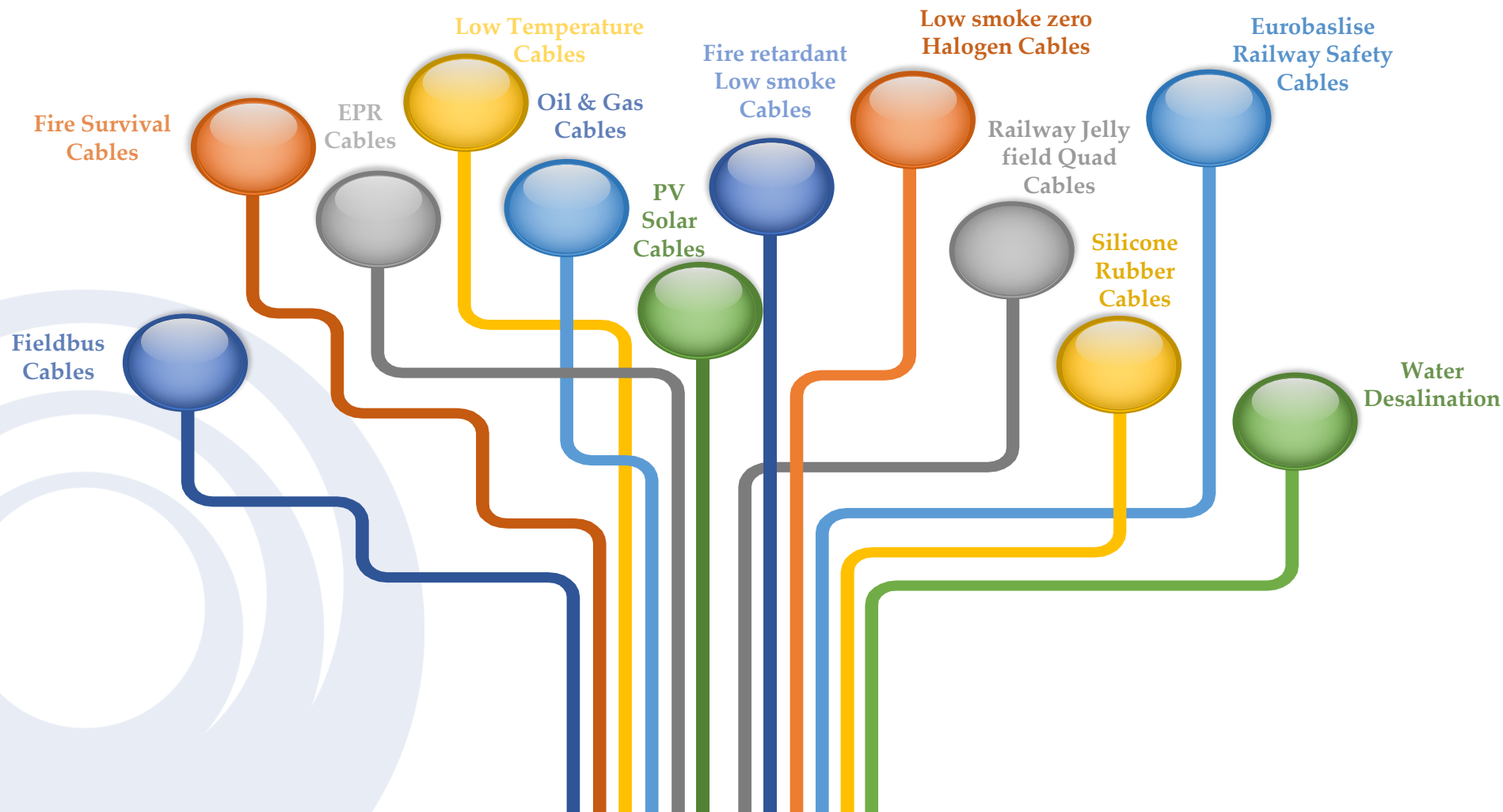
**Application:**

- ✓ Used in connection of power supply to residential, commercial & industrial units



... bringing Constant Innovation

*Special cables*



# ... with Focus on Quality

## Consistent Quality check at every stage

- ✓ Quality Test Labs
- ✓ Customer Interface
- ✓ Product Design
- ✓ Choice of Vendors
- ✓ Manufacturing Process
- ✓ Human Resource Development
- ✓ Customer service



## In-house R&D and Innovations team

R&D team of 5 people

Aim at Innovation & Development of new varieties of cables at regular time intervals

## Garnered a name for

- ✓ Customer service
- ✓ Timely deliveries
- ✓ Efficient order execution

**95% all Products as per Customer Specifications** ensuring

- ✓ High Customer Recall
- ✓ First Choice for Customers
- ✓ Repeat Orders



## ... Experienced Management Team



**Naveen Sawhney**  
Chairman & MD

A Mechanical Engineer and a PG Diploma in Marketing Management. Has an experience of over 45 years in the Cables Industry. His Vast experience, long-term vision, entrepreneurial abilities & strategic planning have led the Company towards growth and diversification.



**Sanjeev Kumar**  
Whole Time Director

Holds Cost and Management Accountant degree from ICWAI. Has 15 years of experience including 5 years in Cables Industry.



**Varun Sawhney**  
VP (Marketing, IT & HR)

MBA from Leeds Metropolitan University, UK & BE (Computers). Played a vital role in implementation of Designing, Costing & ERP systems of the company

**Manoj Gupta**  
CFO

Holds Chartered Accountant degree from ICAI. Has 20 years experience in Finance control, Audit and Taxation.



**Gaurav Sawhney**  
VP (Banking & Finance)

Bachelors of Science in Business Economics from Syracuse University, New York; Executive Post Graduate Diploma in Management (Finance) & Bachelors Of Commerce (Honors). Has been instrumental in handling the Banking & Finance department of the company.





# ... with Strong Core Values

## Honour Commitments

Consistently maintain High Quality

Strive for long-term relations and partnerships with customers, vendors and business associates

Focus on product-development based on ever-changing needs of our customers

Ensure Dignity of Labour

Advancement in Technology

Enhancement and Development of our Human Resource



# ... Long Term Customer Relationship

## Domestic

Over 20 years of Relationship



**BOMBARDIER**  
TRANSPORTATION



A Navratna Company



Ansaldo STS  
A Hitachi Group Company

## International



الشركة السعودية للكهرباء  
Saudi Electricity Company



التميز للتجهيزات الصناعية والفنية ش.م.م  
EXCEL TECHNICAL & INDUSTRIAL SUPPLIES LLC  
More Products. Thousands of Solutions. One Source.



شركة تنمية نفط عمان ش.م.م  
Petrochem Development Oman L.L.C.



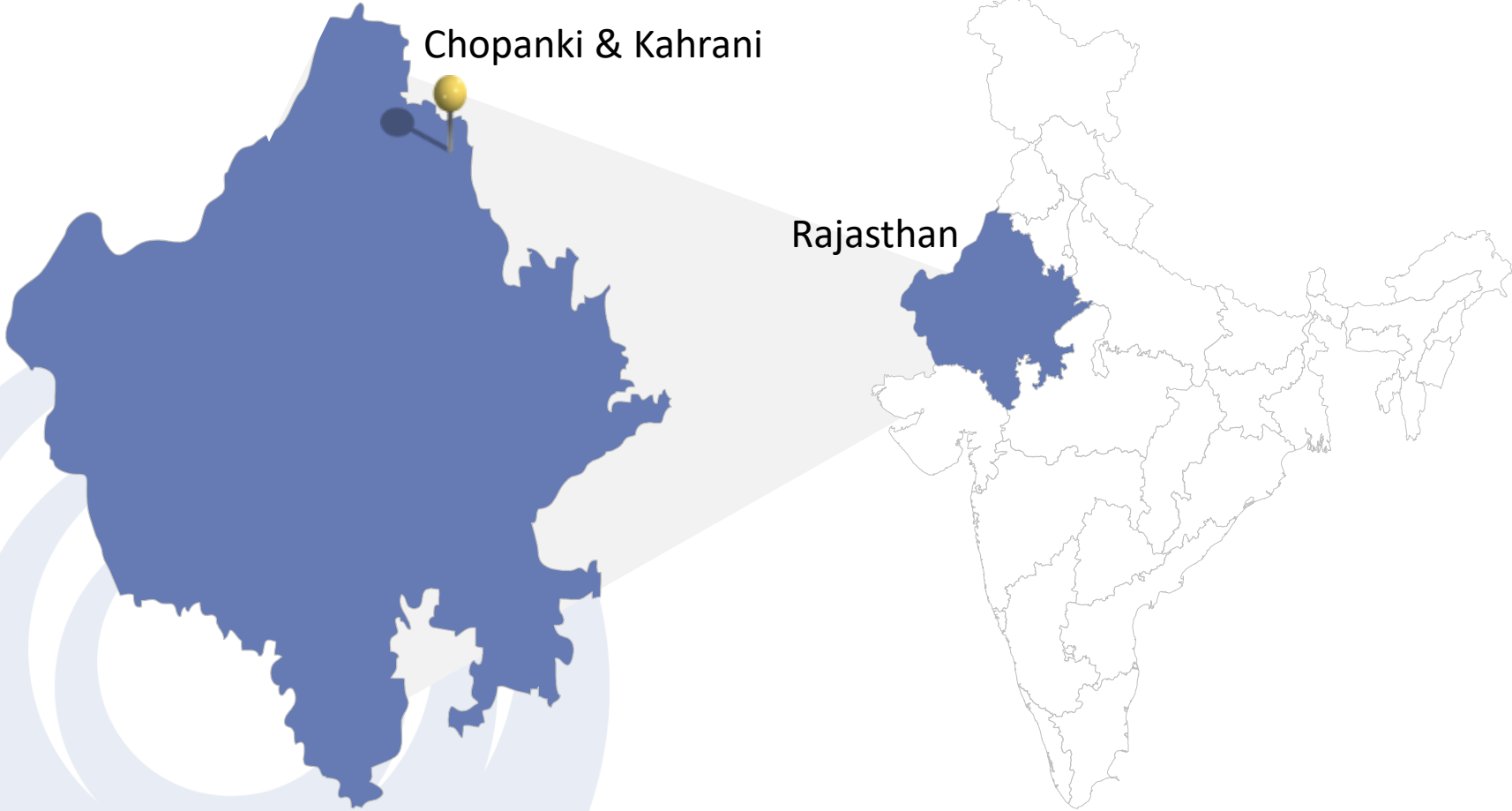
INDO-JORDAN CHEMICALS COMPANY LIMITED



QSTec  
Qatar Solar Technologies  
مركز تقنيات الطاقة الشمسية  
مختبري مؤسسة قطر  
Member of Qatar Foundation



# ... State of the Art Manufacturing Facilities



### Chopanki Unit

- ❖ Capacity of 30,000 Kms
- ❖ Manufactures LV Power, Instrumentation, Control & Special cables

### Kahrani Unit

- ❖ Capacity of 35,000 Kms
- ❖ Manufactures Control, Instrumentation, Fieldbus, PV Solar, EPR Insulated & other Special Cables



# ... Certifications & Client Approvals

- ❖ Manufacture cables conforming to International standards such as: **EN, BS, IEC, VDE**
- ❖ Hold BIS certification for all types of cables conforming to **IS:1554(1)/1988 and IS:694-90**
- ❖ Quality Management System is **ISO 9001:2008 Certified**
- ❖ Environment Management System is **ISO 14001:2004 Certified**
- ❖ Health and Safety System is **BS OHSAS 18001:2007 Certified** from **TUV Rheinland**

### Type Tested by



### Major Approvals





# ... Awards & Recognitions

Forbes Best Under a \$ Billion – 2008



International Quality Crown Award – 2011



Ratna Shiromani Award



International Business Times 1000 Fastest Growing Companies – 2012







*We are Future Ready*



# Key beneficiary of Modernisation and Upgradation of India

*Backbone to Key Industries driving India's Future...*

Renewable Power



Freight Corridor



Oil & Gas



FMCG



Smart Cities



Ferrous & non Ferrous Metals



Transmission & Distribution



Metro Rail



Refineries



Chemicals



Cement



LPG Bottling



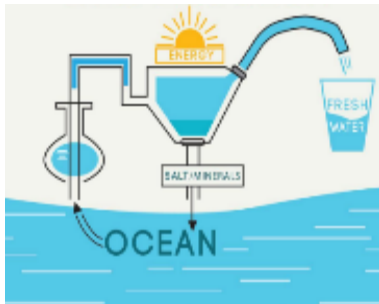
Nuclear & Thermal Power



Airport Development



Water Desalination



Fertilisers



Sewage Treatment



Building Automation



## ... with Multiple Growth Drivers across Sectors



### Freight Corridor

- Indian Railways to build 2 world-class Freight Corridors
- Approx. Rs. 2 lac Cr to be spend for Freight Corridors + Electrification & Doubling and for Electrification + Traffic facilities
- Railways to make investment of over Rs. 8,00,000 Cr over the period of 2015-2020

### Metro Rail Projects

- Proposal to implement metro rail systems in 40 cities
- Currently 520 km of Metro Rail lines under construction
- Total Investment outlay of Rs. 5 lakh crore earmarked by Union Government

### Smart cities & Infrastructure

- Govt. to develop 100 smart cities with an investment of Rs 480 Bn by 2020
- Over FY18-22 Investments in the Roads sector is expected to be of Rs. 10.4 Tn

### Oil & Gas

- Increase in safety measures, Replacement and new demand for speciality cables such as fire retardant and control cables to pick up as safety standards increase

### Hydrocarbons

- Refining companies to invest Rs 80,000 crore to upgrade refineries to meet Euro VI norms by 2020

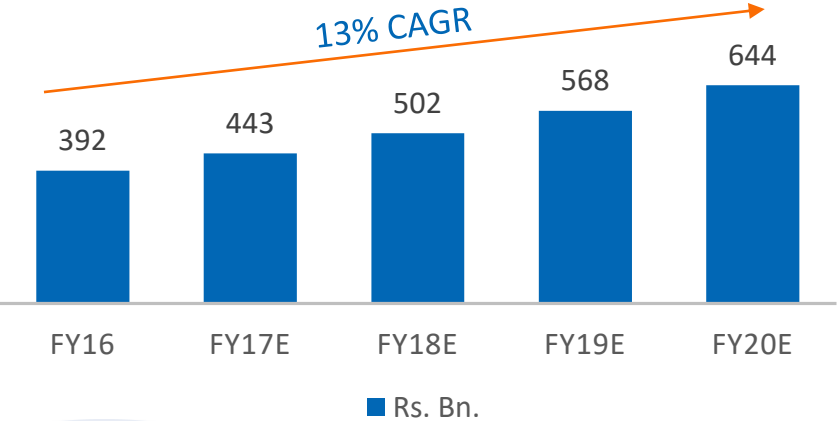
### Power Sector

- Expected bid out of transmission projects worth ₹1 trillion over the next two-three years.
- Expect 25-26 GW of solar PV capacity additions over FY17-19
- Expect the power cables market to expand 1.5-1.7x in the next 3 years



# ... Dominance to grow beyond the Industry

Indian Wire & Cables industry

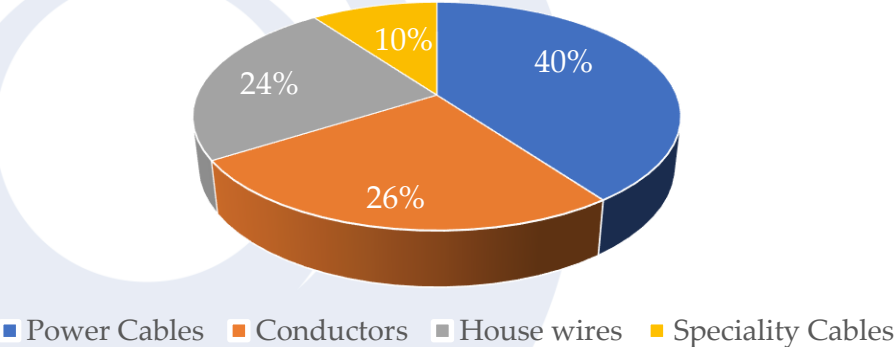


Sectors Driving Increase in Demand

- ❖ Freight Corridor Projects
- ❖ Metro Rail Projects
- ❖ Smart Cities
- ❖ Boost to Infrastructure
- ❖ Hydrocarbon Sector
- ❖ Investments in Power Sector

Speciality Cables at the cusp of growth

Market Share FY16





# Supported by Technologically Advanced Facilities

Chopanki Unit



Kahrani Unit





# With the Capabilities to Double the Production

## Key initiatives leading to strong Industrial growth

- ✓ *Indian Wire & Cables industry expected to grow by 13%*
- ✓ *High thrust of the Current Government on Infrastructure projects increasing scope for Speciality Data Cables*

## With Cords leadership in Cable Space

- ✓ Emphasis on Quality
- ✓ Valued long term Client Relationships
- ✓ Diverse Portfolio of Products
- ✓ Constant Innovation
- ✓ State of the Art Manufacturing Facility
- ✓ Certifications
- ✓ Awards & Recognitions

## Low Investment for growth

- ✓ Current Capacity – 65,000 Kms p.a.
- ✓ Capacity Utilization of ~58%

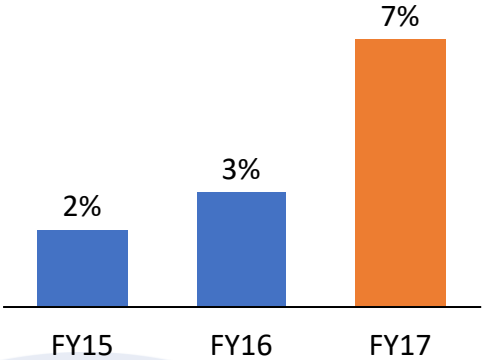
**Creating strong business fundamentals**



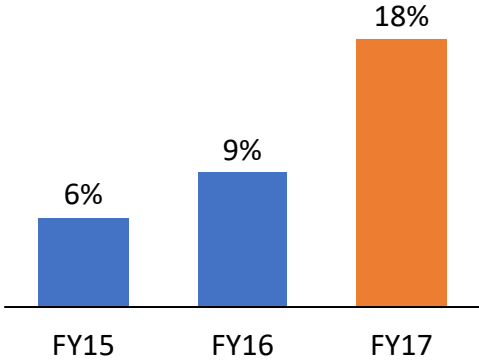
# Increasing Focus on Sunrise Sectors

## Percentage Contribution to Revenues

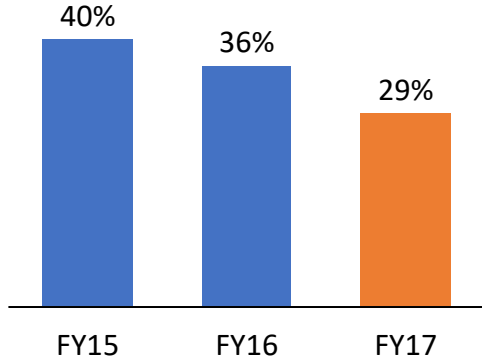
### Metros & Freight Corridors



### Hydrocarbons



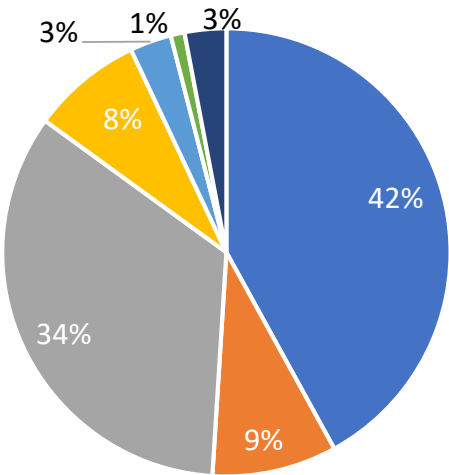
### Power Sector



## Order Book Break-up

Total Order book of ~**Rs. 107 Crores** as on 31<sup>st</sup> December 2017

Order book to be executed over the next 3-4 months



- Hydrocarbons
- Metro & Freight corridors
- Power
- Cement, Metals
- Fertilizers & Chemicals
- FMCG & Industry Sector
- Water

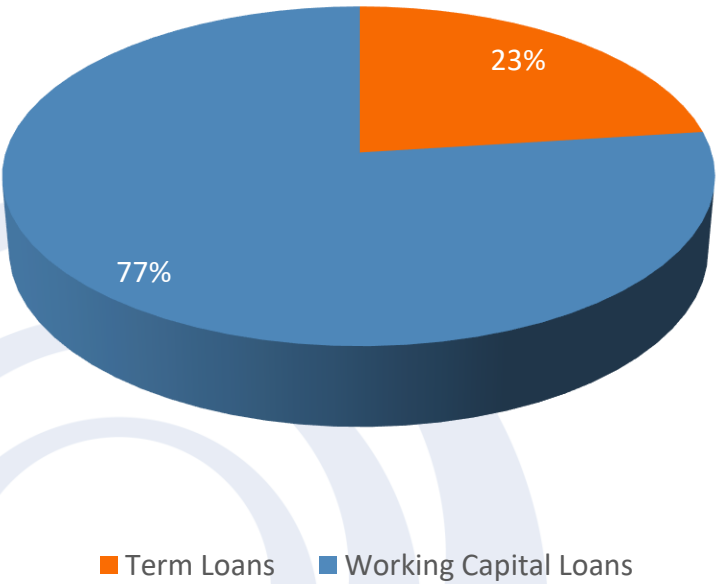




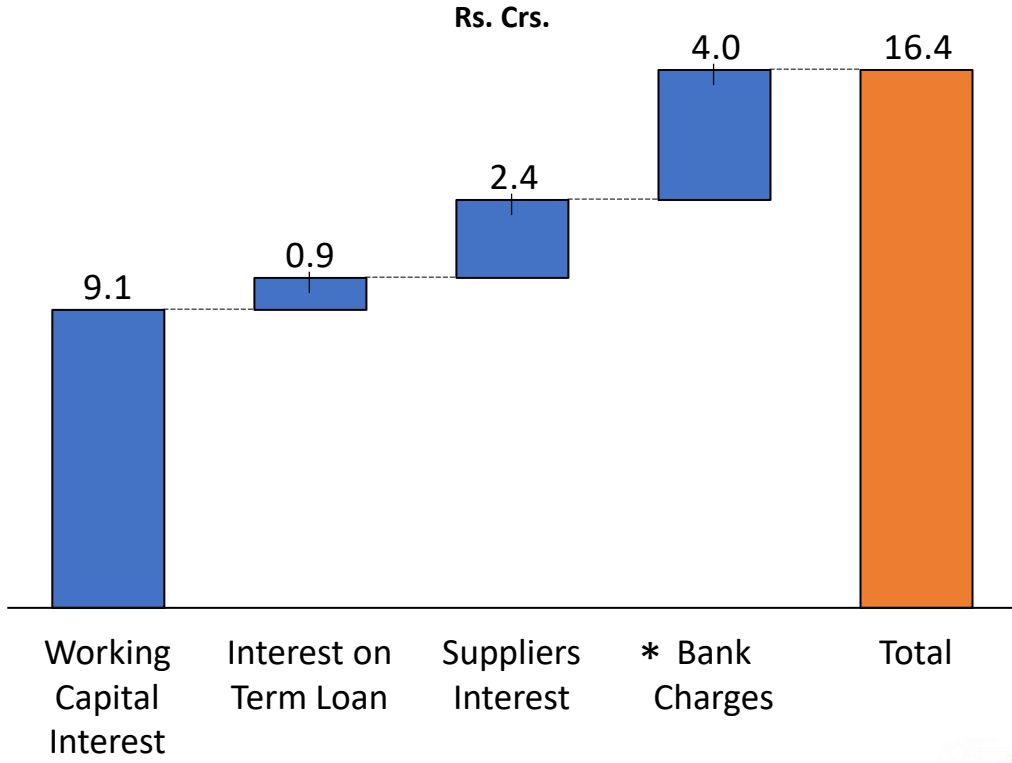
## *Financial Highlights*

# Net Debt to Equity of 0.33 x

Total Debt Structure as of 9M FY18



9M FY18 Finance Cost Break up

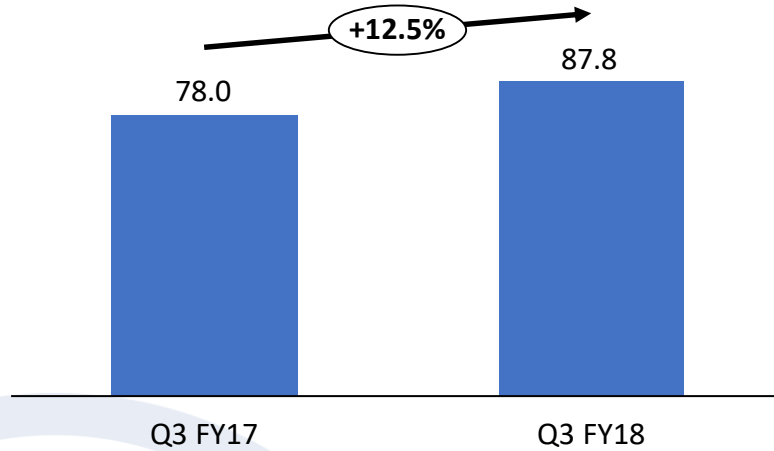


- \* **Bank Charges** are inclusive of:
- BG/LC Commission
  - Non Fund opening/closing Charges
  - Processing Fee
  - Other bank Charges

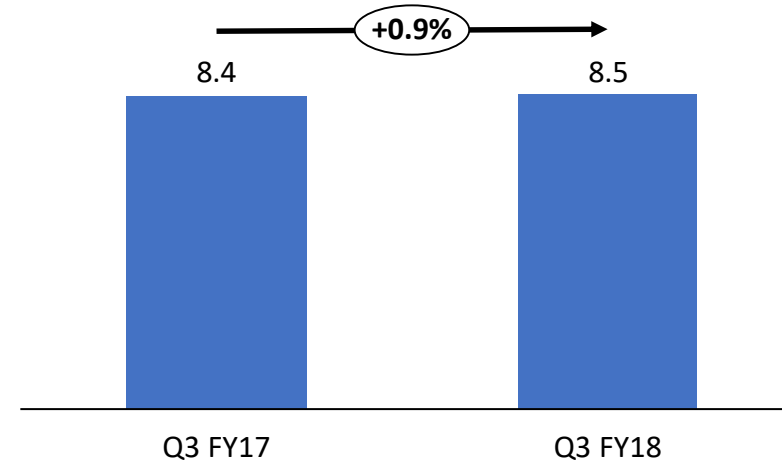


# Q3 FY18 Financial Highlights

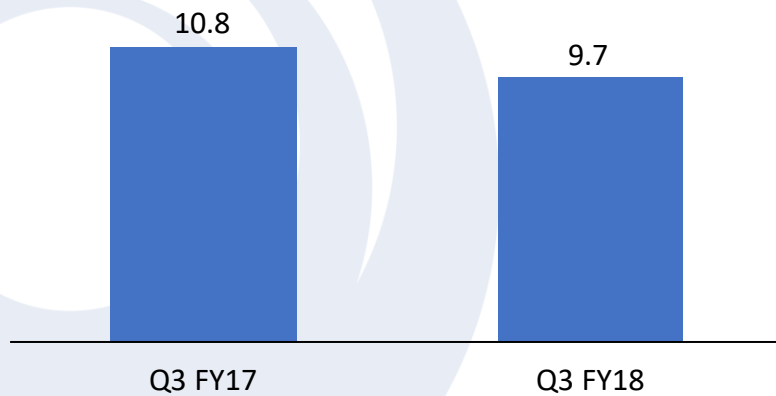
Revenue (Rs. Crs.)



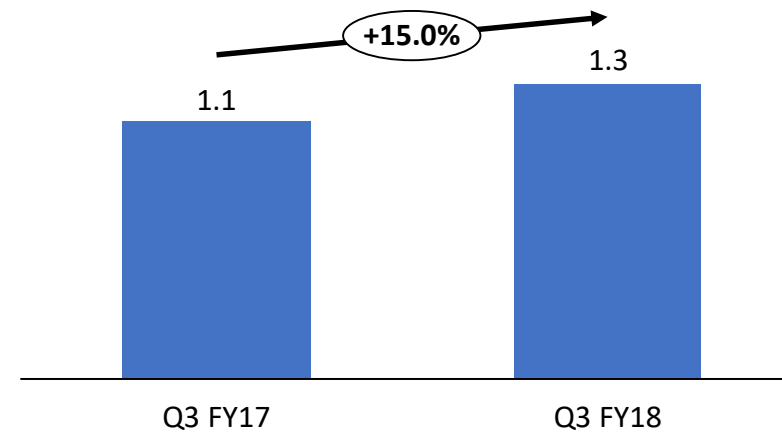
EBITDA (Rs. Crs.)



EBITDA Margin %



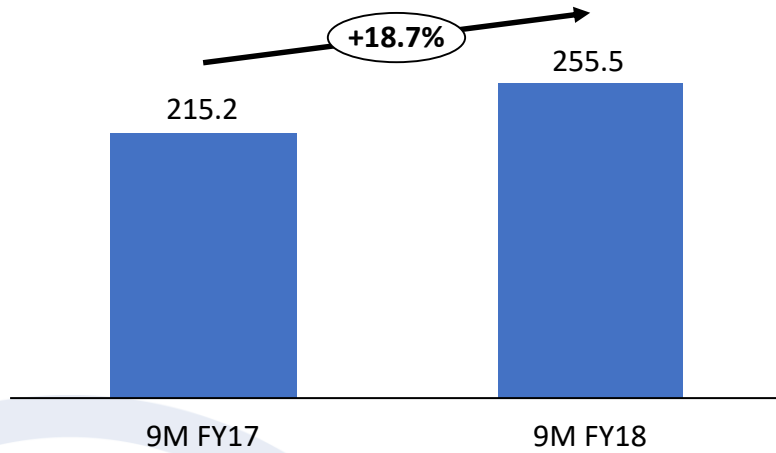
PAT (Rs. Crs.)



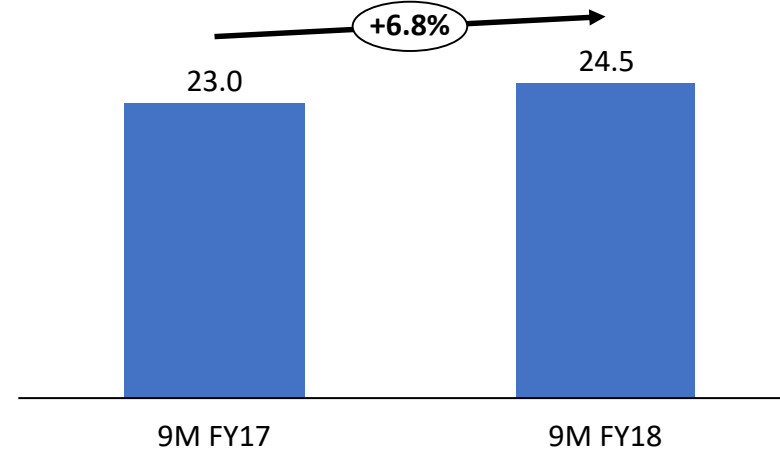


# 9M FY18 Financial Highlights

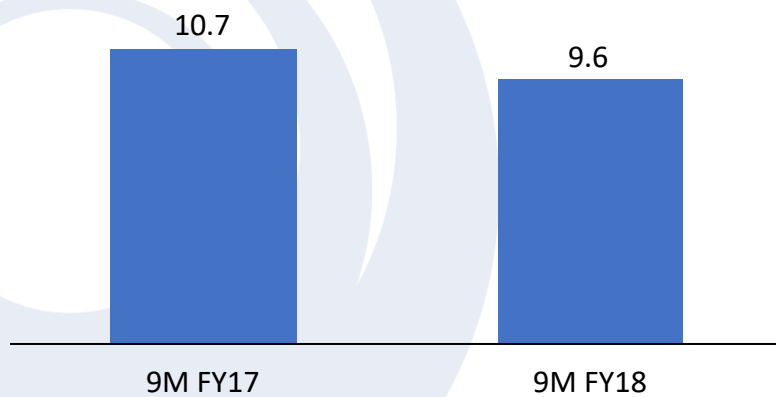
Revenue (Rs. Crs.)



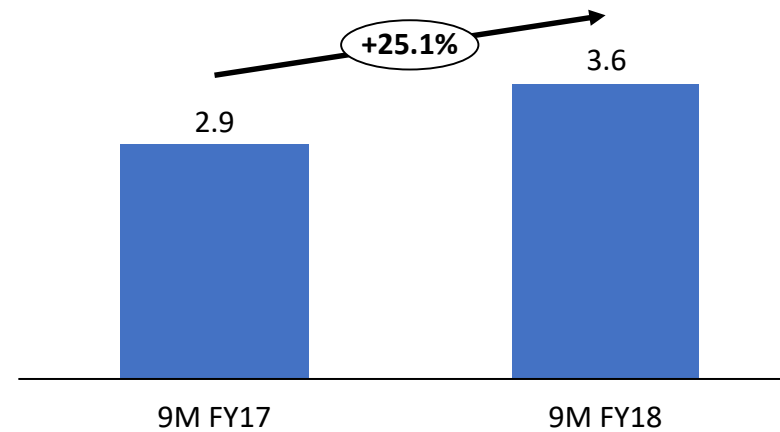
EBITDA (Rs. Crs.)



EBITDA Margin %



PAT (Rs. Crs.)



# Profit & Loss Statement as per Ind AS

Particulars (Rs. Crs.)	Q3 FY18	Q3 FY17	YoY	9M FY18	9M FY17	YoY
<b>Revenue</b>	<b>87.8</b>	<b>78.0</b>	<b>12.5%</b>	<b>255.5</b>	<b>215.2</b>	<b>18.7%</b>
Direct Expenses	70.1	61.1		203.7	167.0	
Employee Expenses	3.9	3.2		11.7	9.7	
Other Expenses	5.3	5.3		15.6	15.6	
<b>EBITDA</b>	<b>8.5</b>	<b>8.4</b>	<b>0.9%</b>	<b>24.5</b>	<b>23.0</b>	<b>6.8%</b>
<b>EBITDA Margin</b>	<b>9.7%</b>	<b>10.8%</b>		<b>9.6%</b>	<b>10.7%</b>	
Other Income	0.5	0.5		1.5	1.4	
Depreciation	1.3	1.5		4.0	4.3	
<b>EBIT</b>	<b>7.7</b>	<b>7.4</b>	<b>3.3%</b>	<b>22.1</b>	<b>20.1</b>	<b>9.9%</b>
<b>EBIT Margin</b>	<b>8.7%</b>	<b>9.5%</b>		<b>8.6%</b>	<b>9.3%</b>	
Finance costs	5.5	5.7		16.4	15.8	
<b>PBT</b>	<b>2.2</b>	<b>1.7</b>	<b>27.3%</b>	<b>5.6</b>	<b>4.3</b>	<b>32.0%</b>
Tax	0.9	0.6		2.1	1.4	
<b>PAT</b>	<b>1.3</b>	<b>1.1</b>	<b>15.0%</b>	<b>3.6</b>	<b>2.9</b>	<b>25.1%</b>
<b>PAT Margin</b>	<b>1.4%</b>	<b>1.4%</b>		<b>1.4%</b>	<b>1.3%</b>	



# Balance Sheet as per Ind AS

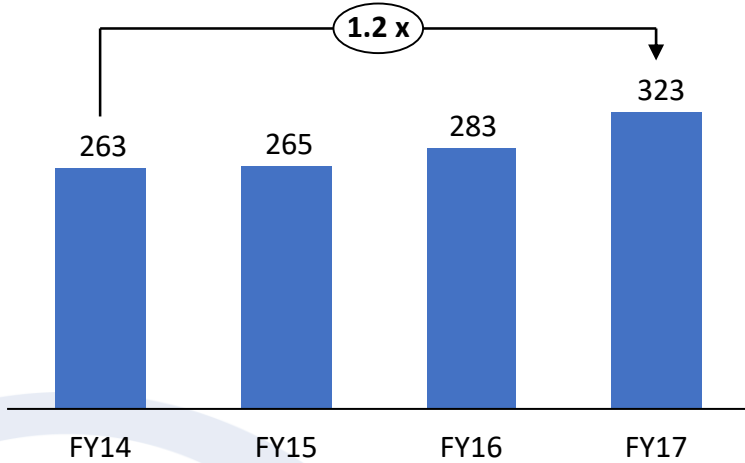
Particulars (Rs. Crs.)	Sept 17
<b>ASSETS</b>	
<b>Non-current assets</b>	<b>90</b>
Property, plant and equipment	88
Long Term Loans	2
<b>Current assets</b>	<b>181</b>
Inventories	42
Investments	0
Trade receivables	101
Cash and cash equivalents	24
Loans	11
Other current assets	3
<b>TOTAL ASSETS</b>	<b>271</b>

Particulars (Rs. Crs.)	Sept 17
<b>EQUITY &amp; LIABILITIES</b>	
<b>Equity</b>	<b>125</b>
Equity Share capital	15
Other equity	110
<b>Non-current liabilities</b>	<b>17</b>
Borrowings	7
Provisions	1
Deferred tax liabilities (net)	8
Other non-current liabilities	2
<b>Current liabilities</b>	<b>129</b>
Borrowings	58
Trade payables	56
Other current liabilities	12
Provisions	3
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>271</b>

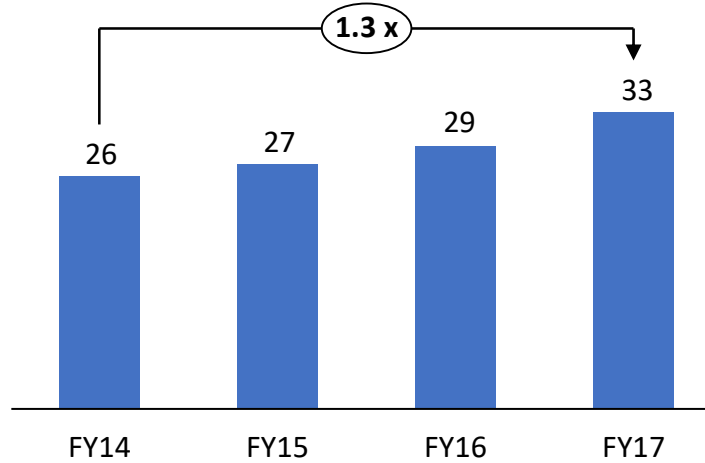


# Consistent Performance over the years

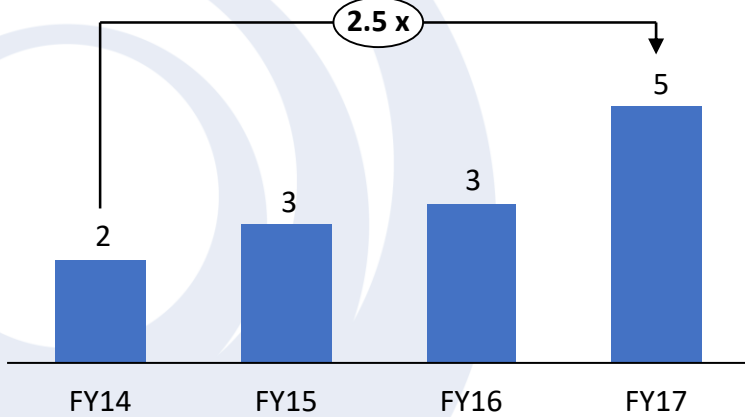
Revenue (Rs. Crs)



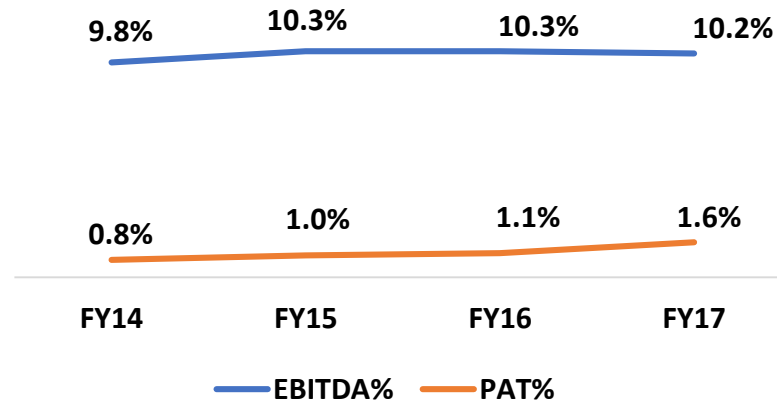
EBITDA (Rs. Crs)



PAT (Rs. Crs)



Improving Margins %





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