

**CORDS**  
THE IDEAL CONNECTION

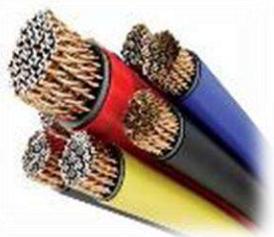


Investor Presentation – August 2019

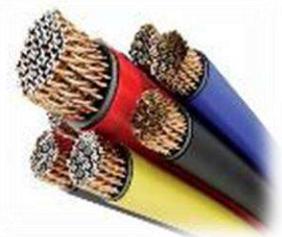
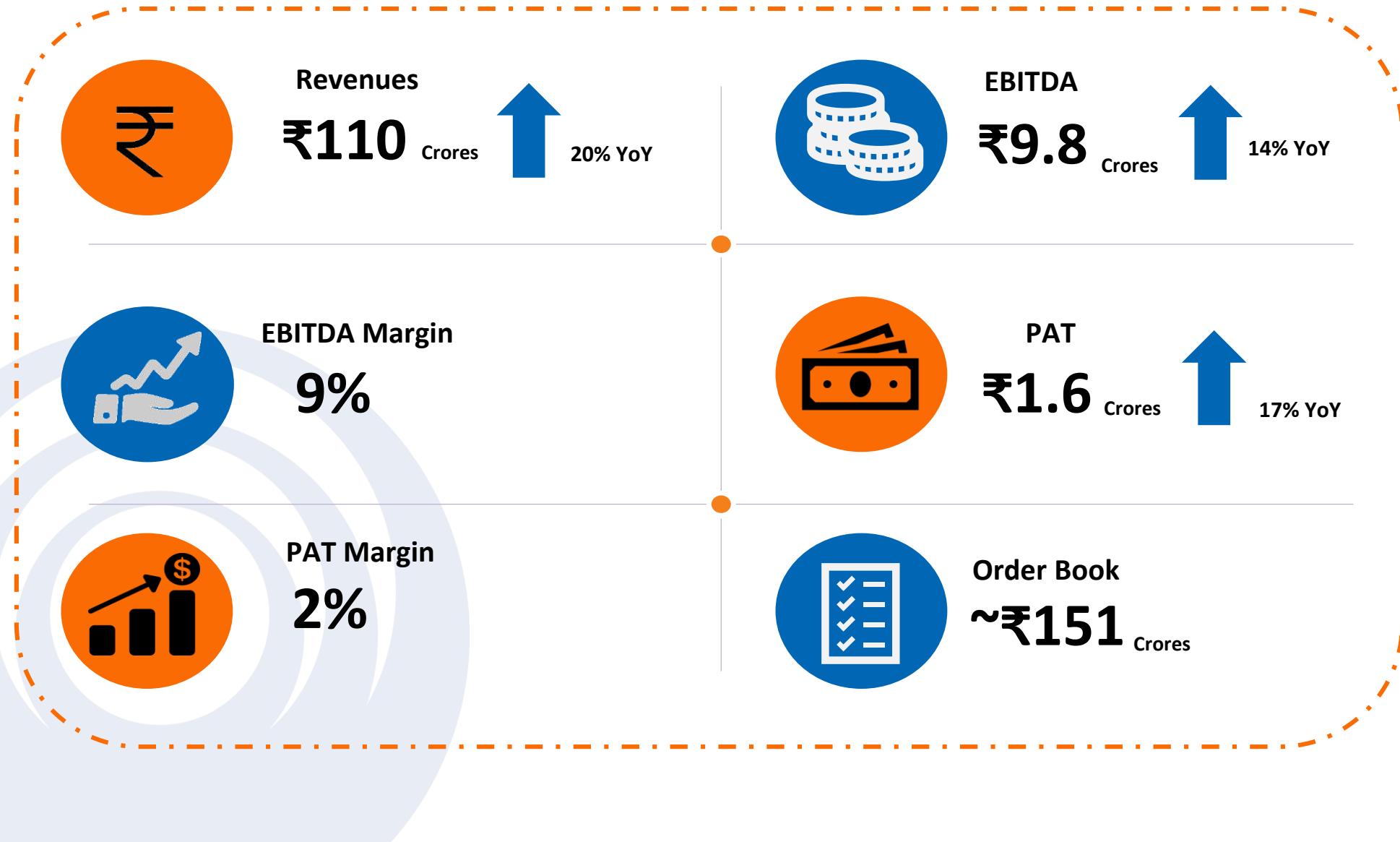
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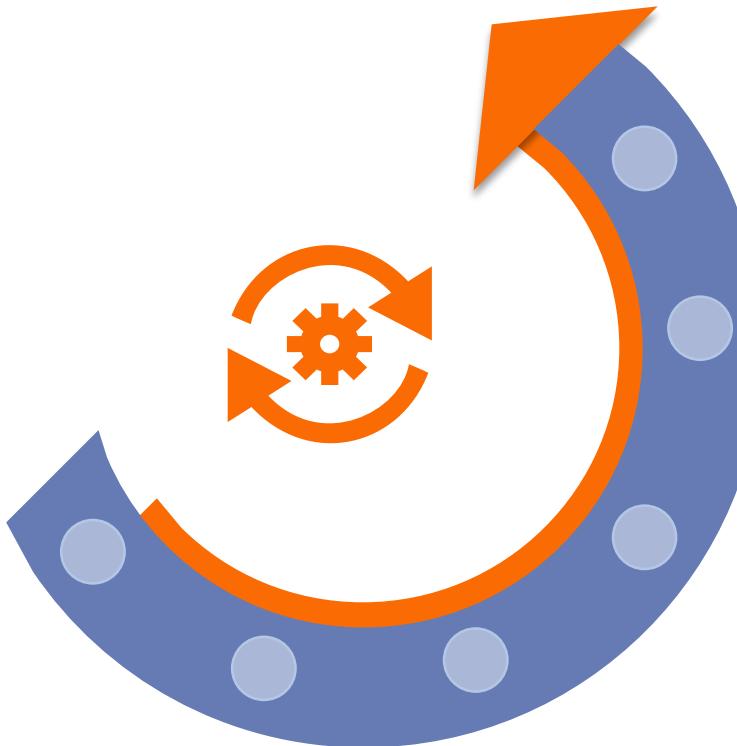
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# Strong Overall Performance in Q1FY20



# A Specialized Control and Instrumentation Cable Company



Long standing customer relationships of over 20 years

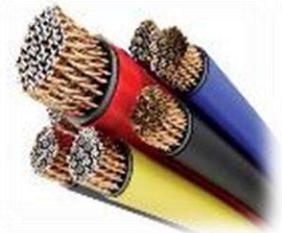
The company will benefit from the modernization and upgradation of infrastructure

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

95% of our orders are based on customer specifications

81% of our cables constitute **Instrumentation & Control Cables** and 19% 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

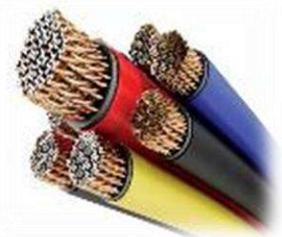
Thermocouple Cables

Control Cables

LV Power Cables

**SPECIALTY CABLES**

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

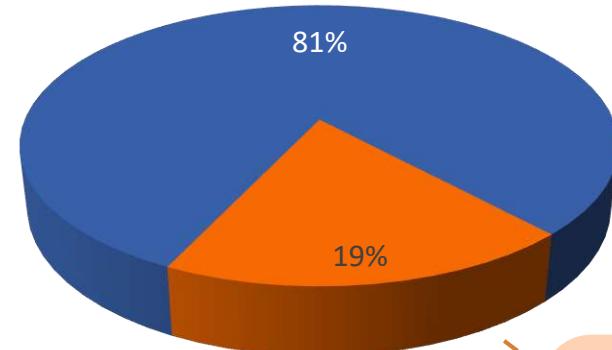
### **Sales Composition**



Instrumentation & Control Cables



Power Cables

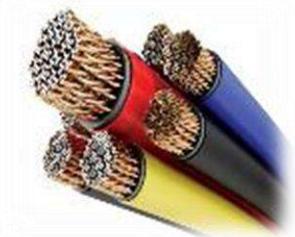


## *And Traditional Demand*

### LV Power Cables

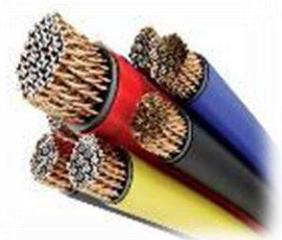
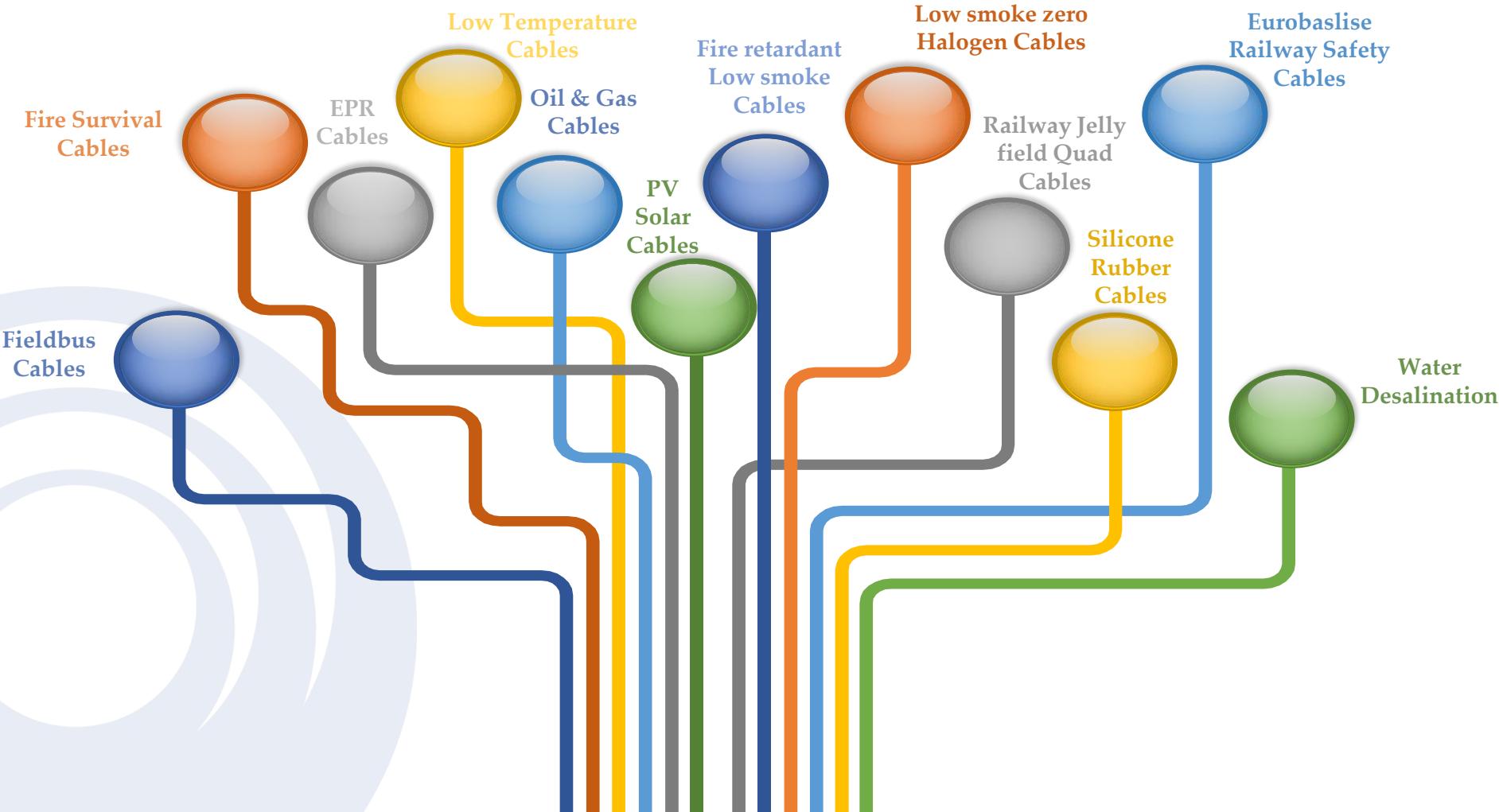
#### Application:

- ✓ 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

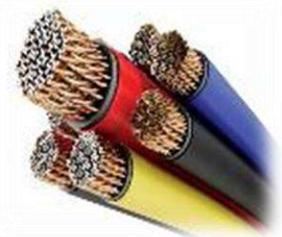
Aim at Innovation & Development of new varieties of cables at regular time intervals

### 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

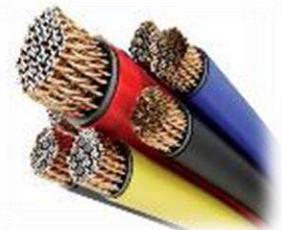
## Manoj Gupta CFO

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

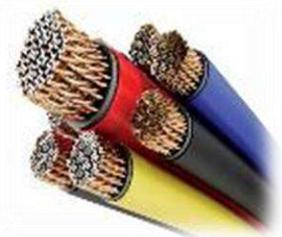
Strive for long-term relations and partnerships with customers, vendors and business associates

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



ओएनजीसी



IndianOil



BOMBARDIER  
TRANSPORTATION

SIEMENS

Honeywell

asianpaints



SUN  
PHARMA



TATA STEEL

A Navratna Company

ACC ABB

KRBL Limited

JUBILANT  
LIFESCIENCES

Ansaldo STS  
A Hitachi Group Company

## International



MAGADISODA  
أدنوك  
Touching lives everywhere, every day



الشركة السعودية للكهرباء  
Saudi Electricity Company



المتميز 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  
Petroleum Development Oman LLC



SIDEM VEOLIA



INDO-JORDAN CHEMICALS COMPANY LIMITED



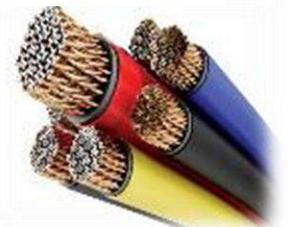
ARABIAN BEMCO CONTRACTING CO. LTD.  
INDUSTRIAL & POWER PROJECTS - DEVELOPERS & CONTRACTORS



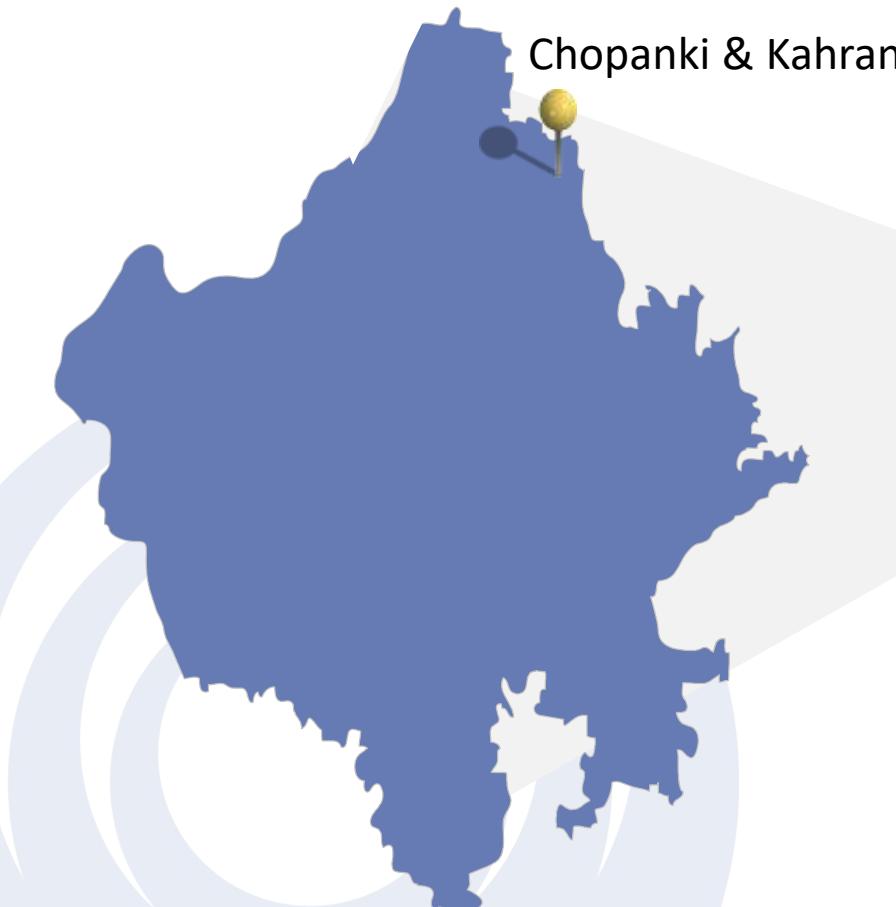
YEMEN PETROLEUM COMPANY



QSTec  
Qatar Solar Technologies  
جهاز لتنمية الطاقة الشمسية  
جهاز لتنمية الطاقة الشمسية  
Member of Qatar Foundation



# ... State of the Art Manufacturing Facilities

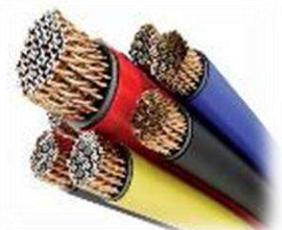


## Chopanki Unit

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

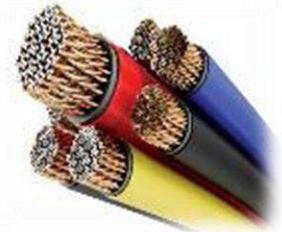
## Kahrani Unit

- ❖ Capacity of 35,000 Kms
- ❖ Manufactures Control, Instrumentation, Fieldbus, PV Solar, EPR Insulated & other Speciality 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 **UVV Rheinland**



## ... Awards & Recognitions

### Forbes Best Under a \$ Billion – 2008



### International Quality Crown Award – 2011

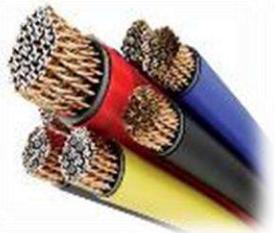


### Ratna Shiromani Award



### International Business Times 1000 Fastest Growing Companies – 2012

**IBT1000**





*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

## ❖ 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
- 2018-19 Budget set aside Rs. 87,000 crores for Exploration and production + Refining and marketing + Petrochemicals

## ❖ Hydrocarbons

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

## ❖ Airport Modernization

- Airport Authority of India's (AAI) pipeline consists of Upgradation of multiple airports for capex of Rs 175 bn & Development of 18 greenfield airports for capex of Rs 300bn

## ❖ Railways

- Railways to make investment of over Rs. 8 lakh crore over the period of 2015-2020. Rs 10 lakh crore to be spent on high-speed train corridors
- Huge amount to be spent for Network Decongestion & Expansion + National Projects + Safety + High Speed Rail & Elevated corridor + High Speed Rail & Elevated corridor

## ❖ Metro Rail Projects

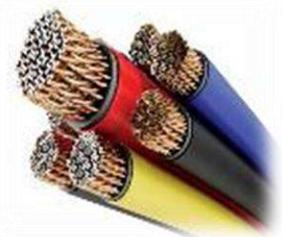
- Proposal to implement metro rail systems in 40 cities. Total Investment outlay of Rs. 5 lakh crore earmarked by Union Government
- Currently 520 km of Metro Rail lines under construction

## ❖ Smart cities & Infrastructure

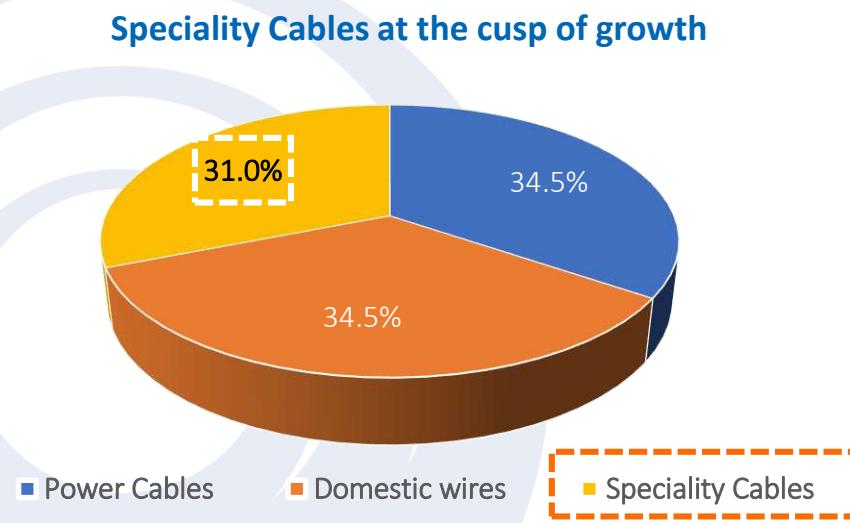
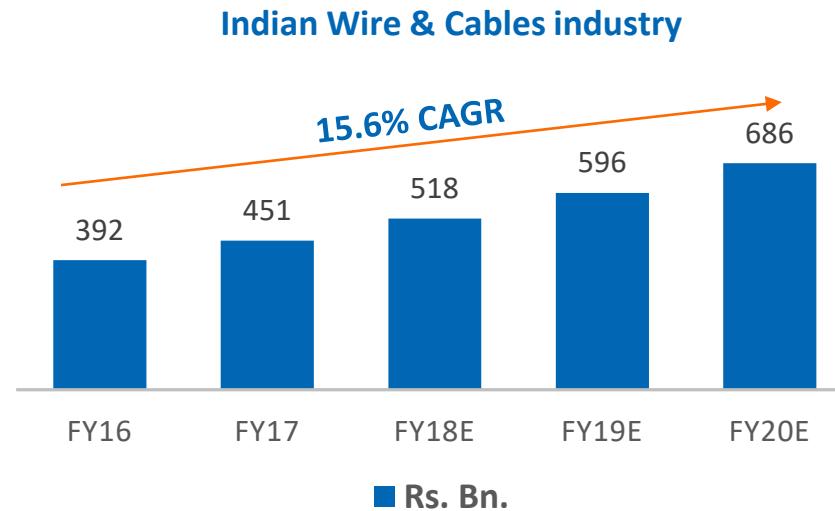
- Govt. to develop 100 smart cities with an investment of Rs 480 Bn by 2020
- Over FY18-22 Investments in the Roads sector is expected to be of Rs. 10.4 Tn

## ❖ Power Sector

- CEA expects investments in Transmission of nearly Rs. 2.6 trillion by 2022
- 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



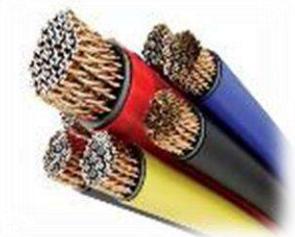
# ... Dominance to grow beyond the Industry



Source: Edelweiss Broking Report

## Sectors Driving Increase in Demand

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

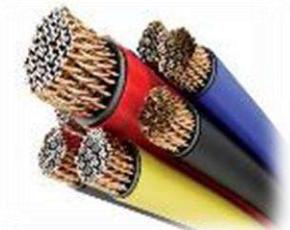


## Supported by Technologically Advanced Facilities

**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 15.6%*
- ✓ *High thrust of the Current Government on Infrastructure projects increasing scope for Speciality Data Cables*

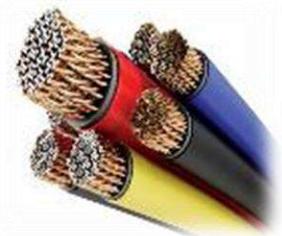
## With Cords leadership in Cable Space

- ✓ 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 ~70%

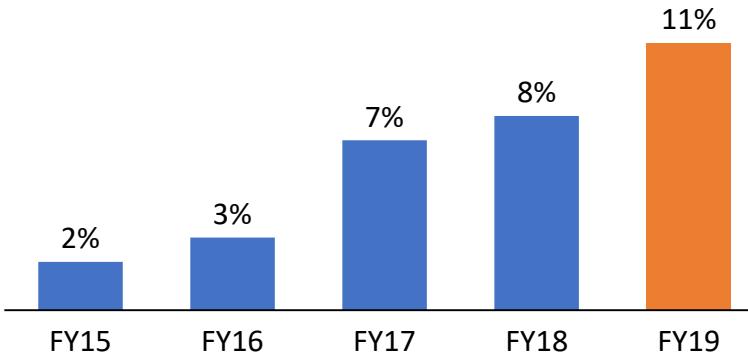
***Creating strong business fundamentals***



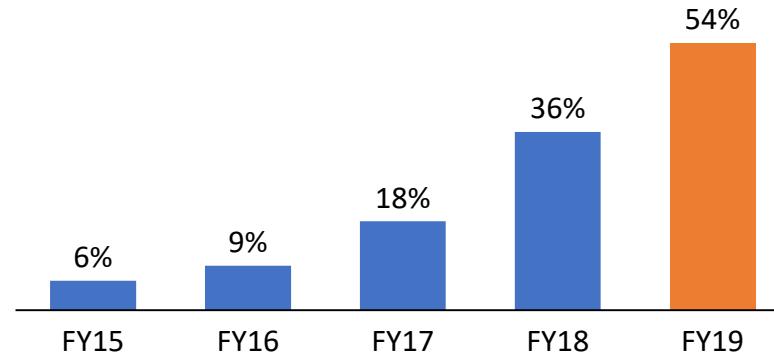
# Increasing Focus on Sunrise Sectors

## Percentage Contribution to Revenues

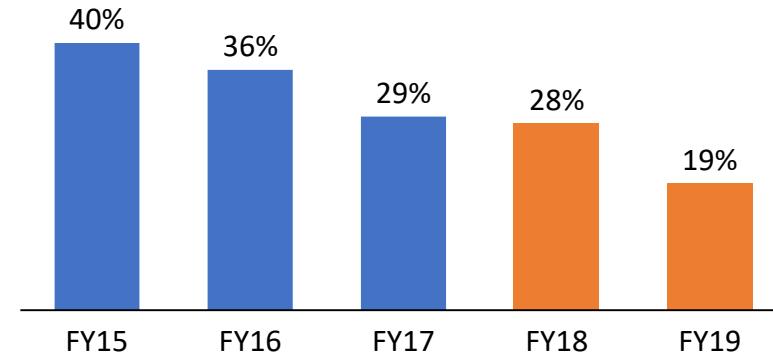
### Metros & Freight Corridors



### Hydrocarbons



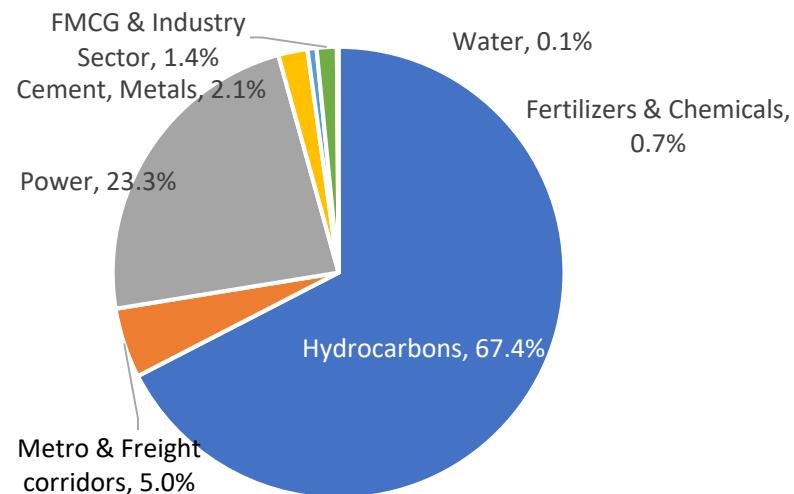
### Power Sector



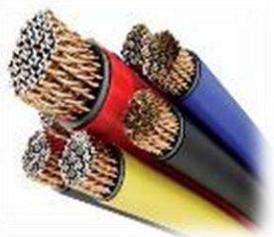
Total Order book of **~Rs. 151 Crores** as on 30<sup>th</sup> June 2019

Order book to be executed over the next 3-5 months

## Order Book Break-up



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



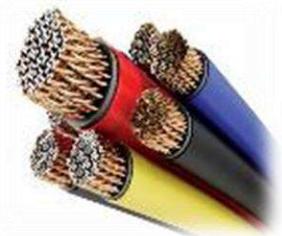
## Approvals from esteemed clients (1/2)

### Approved vendor for RDSO (Research Design & Standards Organization) under Government of India – Ministry of Railways

- This approval enables the company to offer "**Underground Railway Jelly Filled Quad Cable for Signalling & Telecom Installations**" to the Indian Railways and various projects where this approval is mandated including the Dedicated Freight Corridors, and various Metro-Rail projects
- This approval will allow Company to explore the upcoming vast opportunities provided by various developmental & upgradation projects of Railways and new Metro projects throughout the country

### Approved as a pre-qualified supplier with Airports Authority of India (AAI)

- This prestigious approval shall now enable Cords Cable industries Ltd. to offer its approved list of cables towards creating, upgrading, maintaining and managing aviation infrastructure in the country for the projects where AAI is entrusted with Airport Modernisation and Development
- **Following products are enlisted in approved list of make of AAI:**
  - Instrumentation cables
  - Co-axial cables
  - Fiber optic cables
  - Cat-6 cables
  - Control cables
  - Power cables (upto & including 1.1 KV)



## Approvals from esteemed clients (2/2)

### Approval from Abu Dhabi National Oil Company [ADNOC]

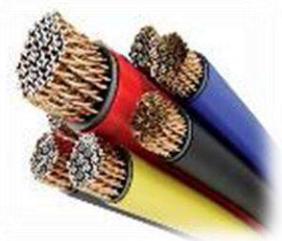
- Registered & Prequalified with **ADNOC** and **Arabian Gulf based oil major**
- Approval expected to boost company's Export revenues
- **Approval will allow supplies of following types of Cables:**
  - Instrumentation & Control
  - Fiber Optics
  - LV Power distribution
- Company can now bid in the above product categories for all ongoing and upcoming projects of ADNOC

### Approval from Samsung Engineering Co. Ltd.

- Registered as a Prequalified supplier for their **International orders**
- This **Global level Approval is for 5 years** starting from August 1<sup>st</sup>, 2018
- This will **enable the company to bid for** supplying qualified products to Samsung Engineering Co. **range of engineering services' portfolio**
- **Approval will allow supplies of following types of Cables:**
  - Instrument
  - Control
  - Thermocouple
  - Foundation Fieldbus (FF)
  - Fire Survival

### Revalidation of Enlistment from Engineers India Limited (EIL)

- New validity of this enlistment is up to **31<sup>st</sup> January 2020** and it covers the following items:
  - Control Cables - PVC
  - Fire and Alarm Communication Cables
  - Control Cables — Fire Survival
  - Thermo Couple Extension Cables
  - Signal Cables
  - Field Bus Signal Cables
  - Signal Cable — Fire Resistant

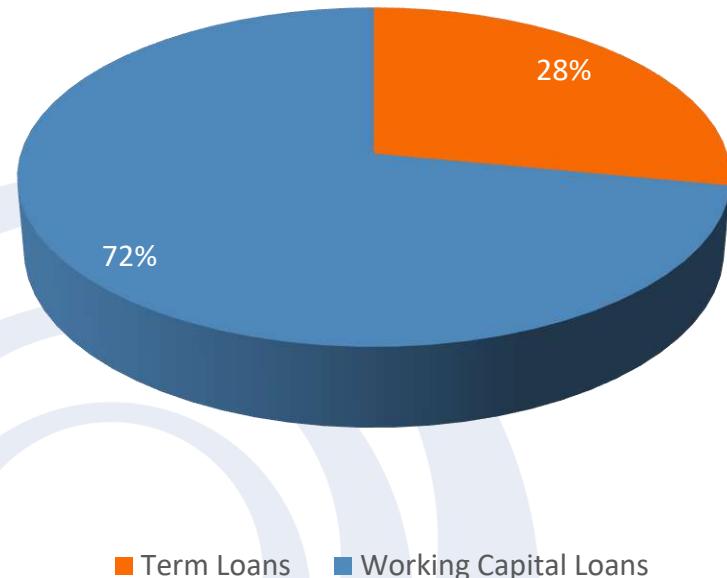




## *Financial Highlights*

# Debt Profile

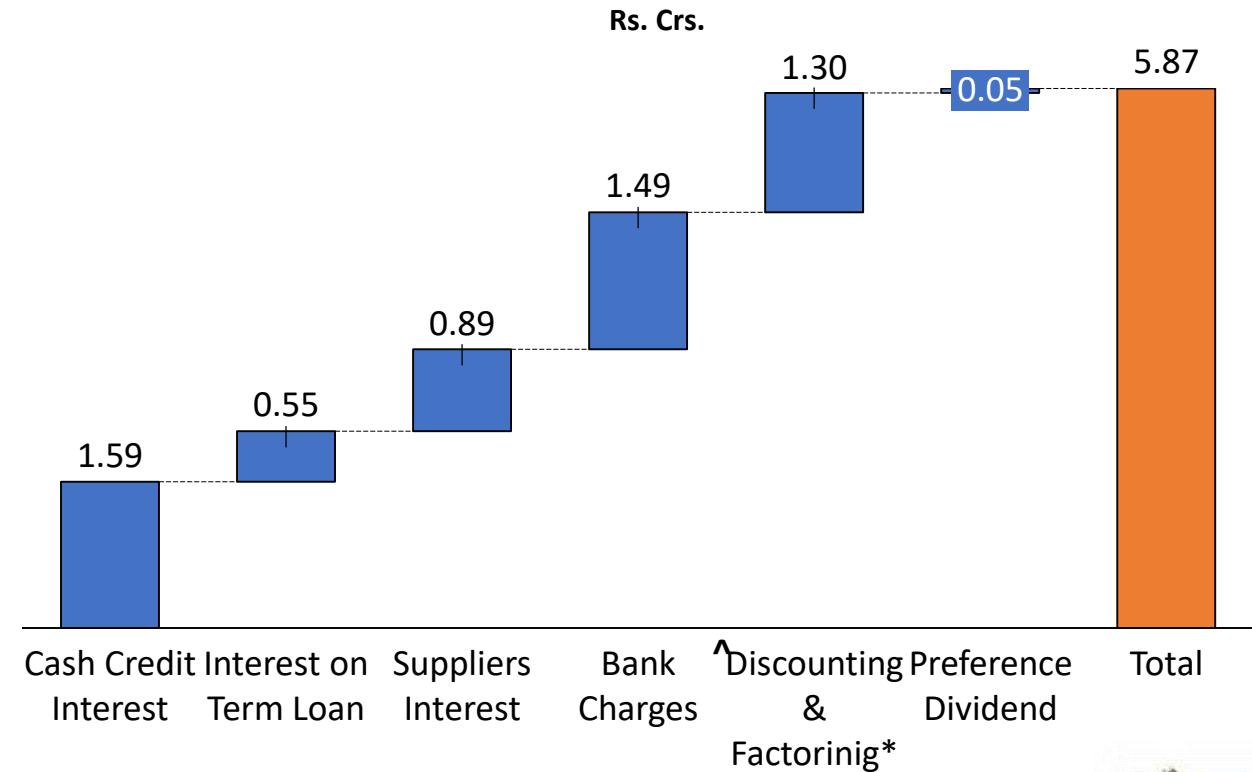
**Total Debt Structure as of Q4FY19**



**Net Debt to Equity = 0.45 x**

**Note: Net Debt includes Short Term Borrowings**

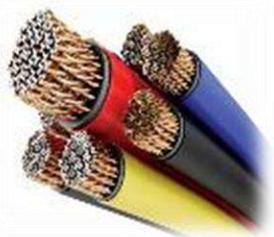
**Q1FY20 Finance Cost Break up**



**^ Bank Charges** are inclusive of:

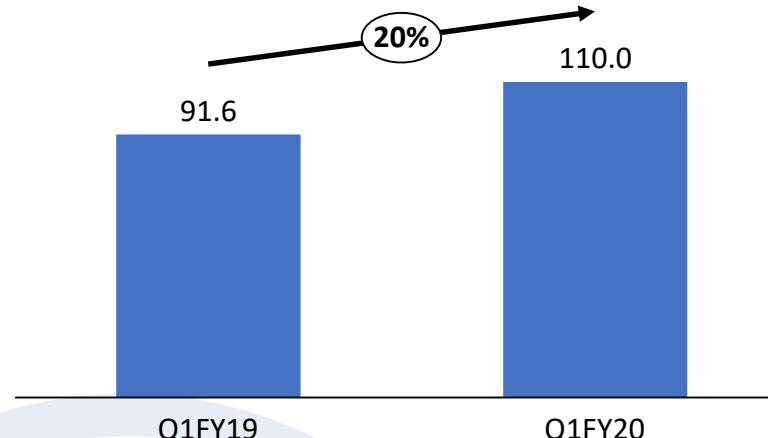
- BG/LC Commission
- Non Fund opening/closing Charges
- Processing Fee
- Other bank Charges

**\* Discounting & Factoring** includes both LC backed and non-LC backed bills including both Sales & Purchase side

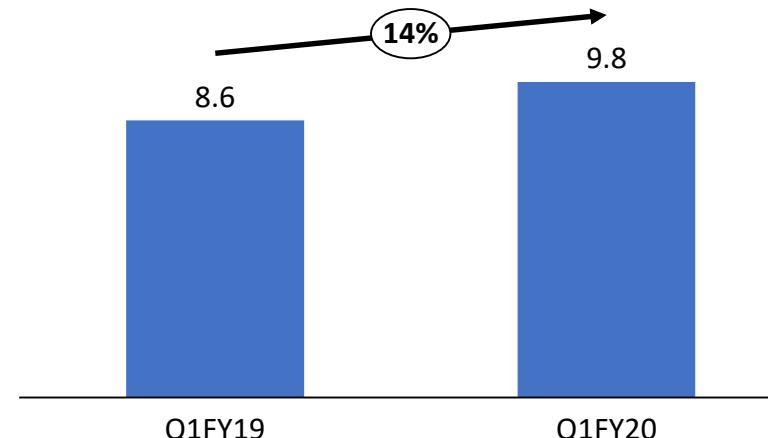


# Strong Q1FY20 Financial Performance

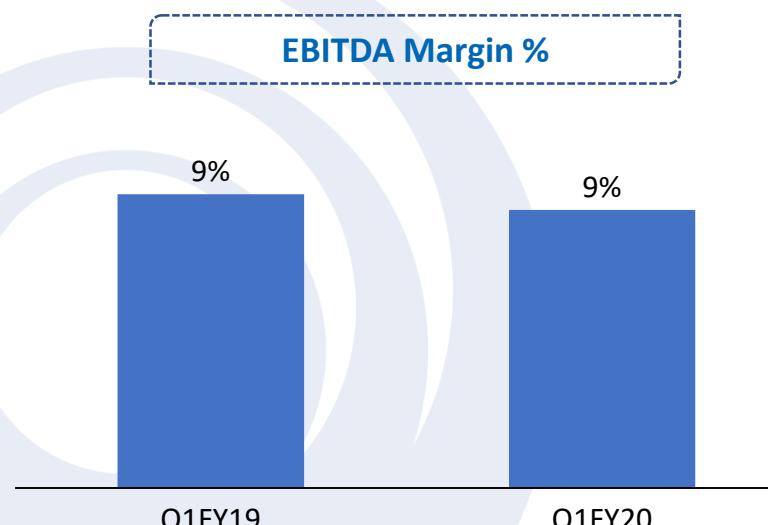
Revenue (Rs. Crs.)



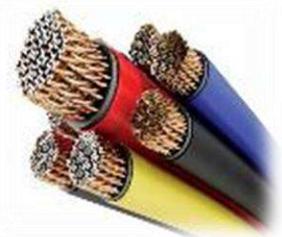
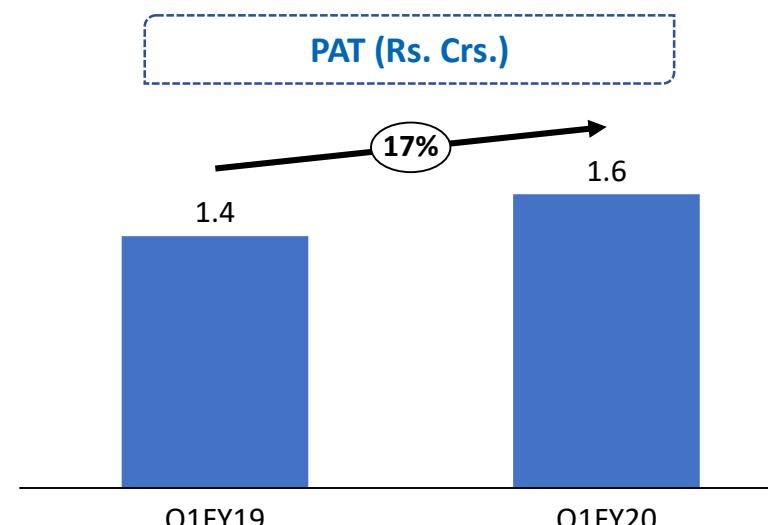
EBITDA (Rs. Crs.)



EBITDA Margin %



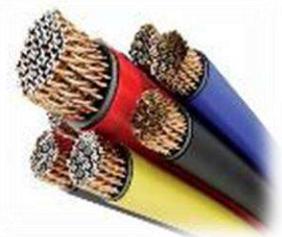
PAT (Rs. Crs.)



# Profit & Loss Statement as per Ind AS

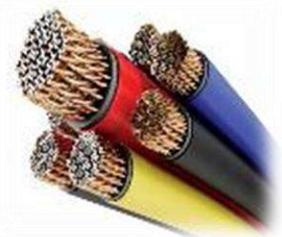
Particulars (Rs. Crs.)	Q1 FY20	Q1 FY19	YoY
<b>Revenue</b>	<b>110.0</b>	<b>91.6</b>	<b>20%</b>
Direct Expenses	88.3	73.2	
Employee Expenses	5.3	4.1	
Other Expenses	6.7	5.8	
<b>EBITDA</b>	<b>9.8</b>	<b>8.6</b>	<b>14%</b>
<b>EBITDA Margin</b>	<b>8.9%</b>	<b>9.4%</b>	
Other Income	0.5	0.4	
Depreciation	1.8	1.4	
<b>EBIT</b>	<b>8.4</b>	<b>7.7</b>	<b>10%</b>
<b>EBIT Margin</b>	<b>7.7%</b>	<b>8.3%</b>	
Finance costs	5.9	5.7	
<b>PBT</b>	<b>2.6</b>	<b>2.0</b>	<b>31%</b>
Tax	1.0	0.6	
<b>PAT</b>	<b>1.6</b>	<b>1.4</b>	<b>17%</b>
<b>PAT Margin</b>	<b>1.5%</b>	<b>1.5%</b>	

With a healthy order book and approvals from esteemed clients in place, we are confident of continuing our strong performance going ahead

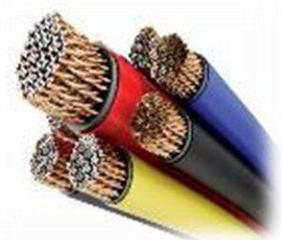
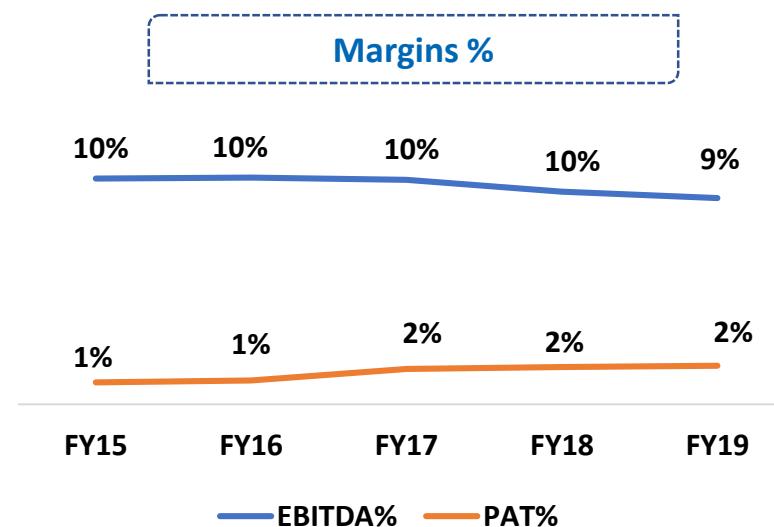
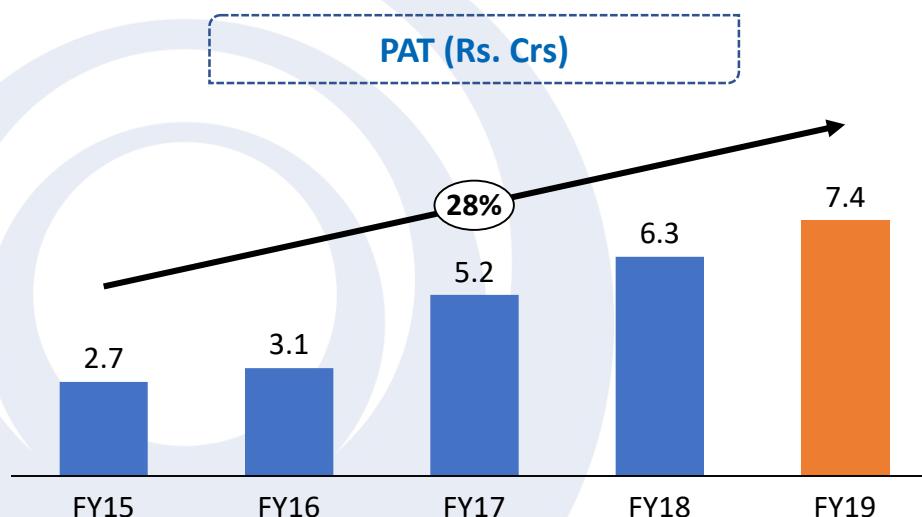
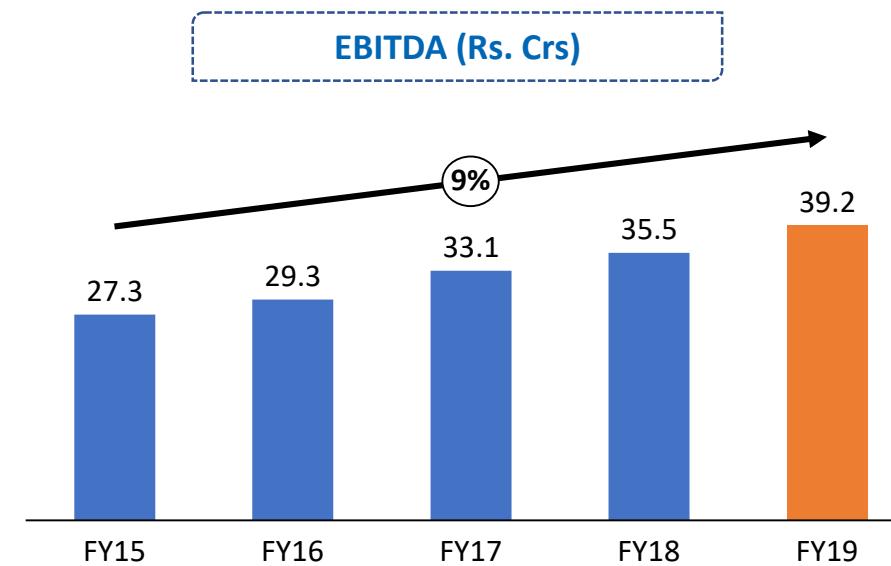
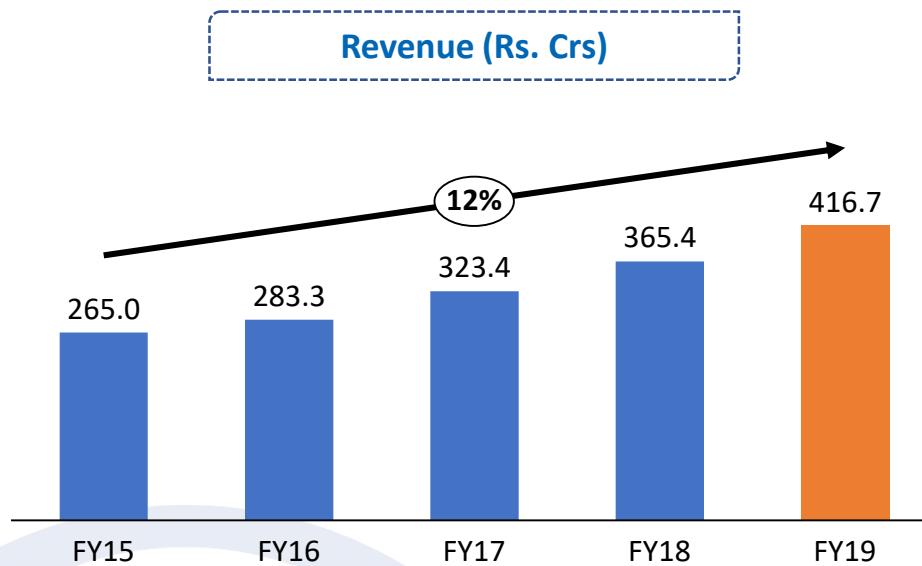


# Balance Sheet as per Ind AS

Particulars (Rs. Crs.)	Mar 19	Mar 18	Particulars (Rs. Crs.)	Mar 19	Mar 18
<b>ASSETS</b>			<b>EQUITY &amp; LIABILITIES</b>		
<b>Non-current assets</b>	<b>97.9</b>	<b>93.8</b>	<b>Equity</b>	<b>134.6</b>	<b>127.3</b>
Property, plant and equipment	96.4	92.3	Equity Share capital	12.9	12.9
Security Deposit	1.5	1.5	Other equity	121.7	114.3
<b>Current assets</b>	<b>211.3</b>	<b>192.2</b>	<b>Non-current liabilities</b>	<b>26.8</b>	<b>24.1</b>
Inventories	59.8	53.6	Borrowings	17.3	15.0
Investments	0.5	0.5	Provisions	1.1	1.1
Trade receivables	113.5	101.7	Deferred tax liabilities (net)	8.3	8.0
Cash and cash equivalents	0.3	0.4	Other non-current liabilities	0.1	0.1
Bank Balances	20.0	25.5	<b>Current liabilities</b>	<b>147.8</b>	<b>134.7</b>
Other current assets	17.1	10.5	Borrowings	64.1	60.7
<b>TOTAL ASSETS</b>	<b>309.2</b>	<b>286.0</b>	Trade payables	71.6	65.8
			Other financial liabilities	8.1	4.9
			Other current liabilities	3.1	1.6
			Provisions	0.8	1.7
			<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>309.2</b>	<b>286.0</b>



## Consistent Performance over the years





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