

“Wired for Growth”



Investor Update

July 2009 – September 2009

Cords Cable Industries Ltd



November 3rd, 2009



Emerging India
Value Advisors Pvt Ltd

In order to face the challenges posed by the on-going global economic slow-down, Cords Cable Industries Ltd is gradually revamping its whole business model so as to make it long term, sustainable and risk-free. This would ensure that the interests of all its stakeholders are adequately protected.

To achieve this objective, the Company is adding new clients domestically & internationally, developing new export markets- which yield better margins, entering new business segments and new sectors and increasing focus on R & D.

Performance Review Q2'2010 Vs. Q2'2009



⇒ Revenue in Q2'2010 was Rs 469.4mn compared to Rs 586.3mn in Q2'2009

⇒ In volume terms, **the company has achieved a growth of 16.6%** compared to last quarter. It has sold 5297.2 K.M. of cable during the current quarter compared to 4542.6 K.M. in Q2'2009. However, in value terms, Net Revenues witnessed a fall during the quarter on account of downward fluctuations in Copper prices (which accounts for 40-50% of raw material).

⇒ The company aggressively focused on exports and consequently registered a **growth of over 295% in Export Revenues** during the quarter compared to Q2'2009.

⇒ EBIDTA was at Rs 45.6mn during Q2'2010 compared to Rs 69.9mn in Q2'2009

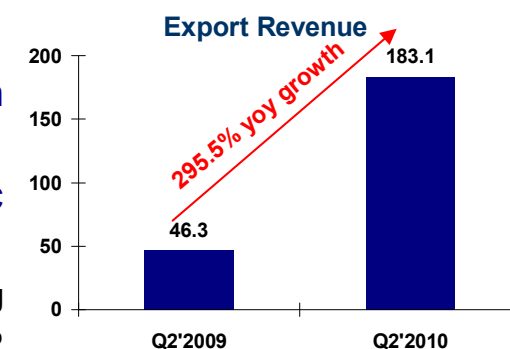
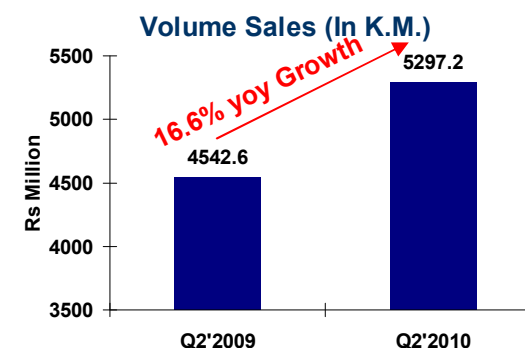
⇒ With sustained efforts, **the company has been successful in reducing its RMC cost to 76.8% of sales in current quarter compared to 78% in Q2'2009**

⇒ EBIDTA came down to 9.7% during Q2'09 compared to 11.9% in corresponding quarter largely due to Increase in Total manufacturing cost by approximately 30% during the quarter compared to corresponding last quarter.

⇒ PAT was at Rs 7.2mn during Q2'10 compared to Rs 33.6mn in Q2'09 because-

⇒ Depreciation cost increased to Rs 10.2mn during Q2'10 compared to Rs 6.3mn in Q2'09 because of the Capex done by the company. The full impact of corresponding increase in revenues would be available in the coming quarters.

⇒ Finance charges constituted 6.1% of sales during Q2'10 compared to 4.8% of sales during Q2'09 because of increase in current assets on account of increase in production and due to greater volatility in the commodity prices.



Export Markets

- With Aggressive marketing on export front, **the company has achieved over 39% of its revenues from Exports** in the current quarter
- Received valuable Export Orders from reputed clients and entered new export countries like **Kazakhstan, Germany and Sharjah**
- The company has **forayed into the Qatar** market by appointing marketing agent for Public Works Authority, Qatar
- The company is constantly endeavouring to enter new markets
- Added 4 new clients, 2 each in International and domestic markets to its existing client base during the quarter

R&D Achievements

- As a part of its R&D initiative, the company has expanded its product range and **has developed Cables for Traffic Signaling**
- It has also developed a new product i.e. **Special Low Voltage Cable** which can survive even at a temperature of -50° . The company has developed **this new product for Control, Instrumentation and Power cables**.

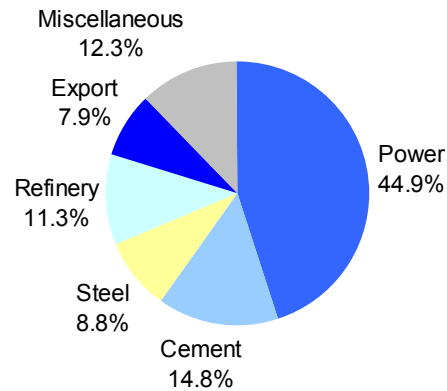
Manufacturing Capabilities

- New manufacturing unit (which is likely to be completed by the end of Q1'FY2011) will strengthen the company's manufacturing capabilities and product range
- Major impact of this ongoing expansion shall be **visible by FY'2012**
- The company plans to further introduce new products line with the help of its R & D facility which shall enable exports to new countries and addition of new sectors
- Post expansion, the company will have a diversified product range at par with international standards

Diversified Revenue Mix

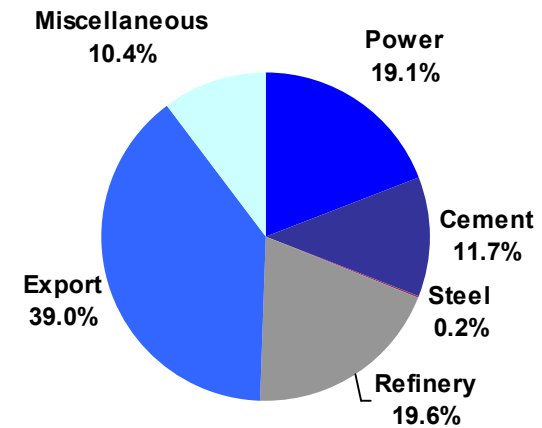
Sector wise Revenue Breakup

Q2'2009



Rs 586.3mn

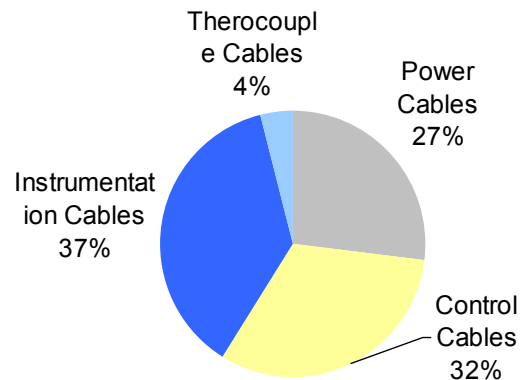
Q2'2010



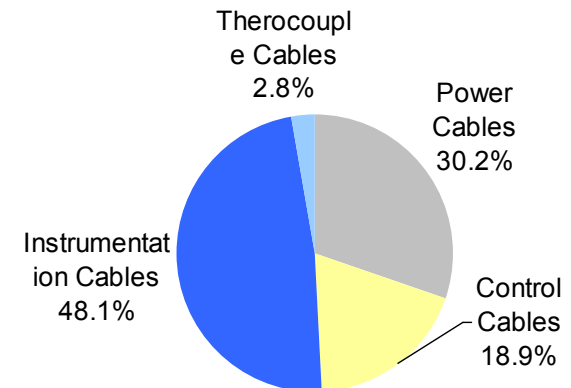
Rs 469.4mn

Product wise Revenue Breakup

Q2'2009



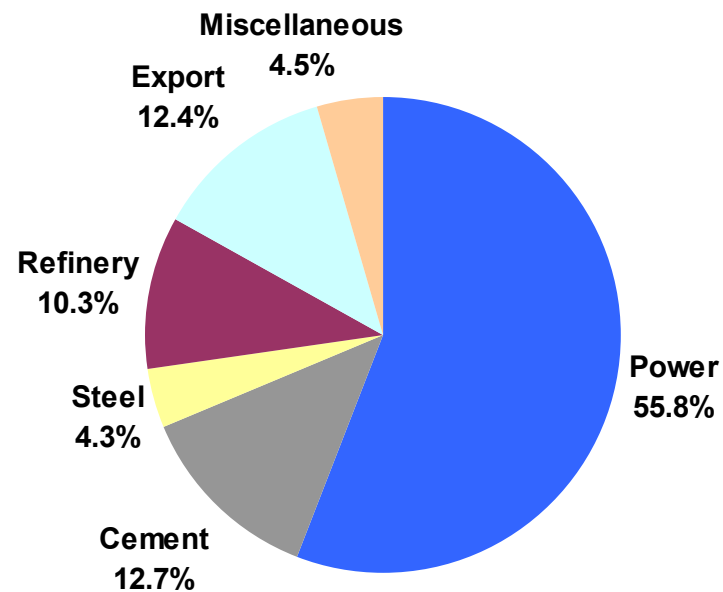
Q2'2010



Well Diversified Order Book



Sector wise Order Book Breakup



■ Power ■ Cement ■ Steel ■ Refinery ■ Export ■ Miscellaneous

Total Order Book as on Date – Rs 821mn

As on 30th September 2009

Details of funds Raised & Utilised



Fund Raised		Rs lacs	
IPO		4164.75	
Borrowings		1209.68	
Proceeds from pre-IPO placement		419.15	
Internal Accruals (Balancing figure)		180.10	
		5973.68	
Funds Deployed		Proposed	Utilised
Setting up of production facilities		<i>(As per prospectus)</i>	<i>(till 30 Sep'09)</i>
Land		1737	2470.83
Building		875	471.46
Plant & Machinery		2610	1704.79
Misc. Fixed Assets		120	12.30
IDC & pre operative expenses		165	23.02
Contingencies		233	-
Working capital requirements		630	-
Issue expenses		450	435.21
		6820	5117.61
Balance**			856.07

**Balance kept in bank FDR A/c/Current A/c & ICD

Financial Statements– Income Statements

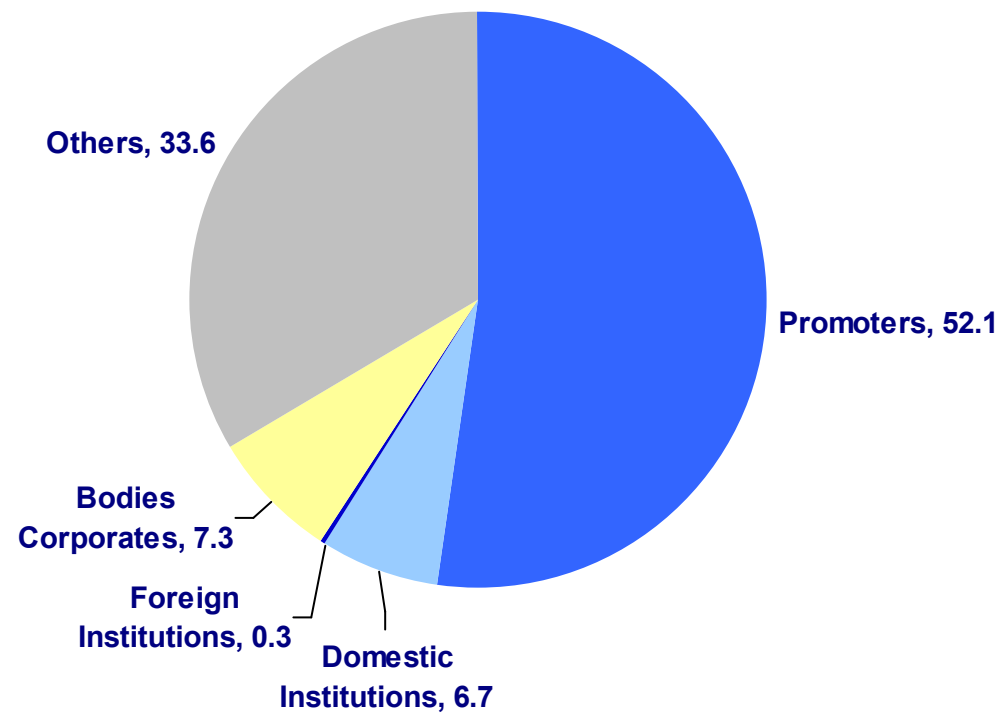
Amount in Rs Million

Particulars	Q2'10	Q2'09	FY'09
Net Income from Operations	469.40	586.32	2217.08
Total Expenditure	423.85	516.33	2004.32
(a) Consumption of Raw Material	430.10	523.96	1786.82
(b) Staff Cost	24.30	18.61	73.81
(c) Other Expenses	39.08	40.57	175.99
(d) Increase(-)/ Decrease in Stock in trade	(69.63)	(66.82)	(32.30)
OPBITDA	45.55	69.99	212.76
Depreciation & Amortisation	10.225	6.256	28.62
OPBIT	35.33	63.74	184.14
Finance Charges	28.60	27.96	83.91
OPBT	6.72	35.78	100.23
Non Operating Income/ Other Income	4.61	13.90	10.90
PBT	11.33	49.67	111.14
Tax	4.12	16.05	39.87
PAT	7.22	33.62	71.27
EPS (Rs.)	0.63	2.94	6.24

Key Ratios

Key Ratios	Q2'10	Q2'09	FY'09
EBIDTA Margin	9.7%	11.9%	9.6%
PAT Margin	1.5%	5.7%	3.2%
Total Expenditure/Net Income from Operations	90.3%	88.1%	90.4%
Raw material/Net Income from Operations	76.8%	78.0%	79.1%

Shareholding Pattern (In %)



About Cords Cable Industries Ltd

Cords Cable Industries Ltd is engaged in the manufacturing and marketing of cables. The ISO 9001:2000 accredited company manufactures cables and the product range includes low tension (LT) control cables, LT power cables, instrumentation cables, coaxial cables, thermocouple extension cables and speciality cables. The company has a manufacturing unit at Chopanki, Rajasthan and is in the process of setting up a new manufacturing unit to be partly funded by their recently concluded IPO. The company caters to industries like power, steel, cement, fertilizers, chemicals, and petroleum among several others. The company's main focus area is on Specialised and Value added business. Around 80% of company's revenue comes from these specialised cables. For more information please visit www.cordscable.com

About Emerging India Value Advisors Pvt Ltd

Emerging India Value Advisors Pvt Ltd. (EIVA) has been set up to provide comprehensive financial solutions to business entities who have a scalable and sustainable business model to enable them to realize their full potential. Our service offerings include – IPO Consulting, Investor Relations, Fund Raising, M&A Consulting, Pre & Post IPO equity placement & Capital Restructuring. Our client list includes various corporations, institutional investors & high net-worth individuals. Emerging India has a team of experienced analysts covering the key sector including FMCG, Real Estate, Infrastructure and manufacturing among others. For more information please visit www.emergingindia.co.in

Forward Looking Statement

Certain statements in this document with words or phrases such as “will”, “should”, etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy and changes in government policies. The company may, from time to time, make additional written and oral forward looking statements, including statements contained in the company's filings with the stock exchanges and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

For any Investor Relations queries please contact:

Mr. Kamlesh Gagrani
Director - Finance & Business Strategy
Cords Cable Industries Ltd
Email: ipo@cordscable.com
Tel No. + 91-11- 40551200

Mr. Rajiv Mangla
Director
Emerging India Value Advisors Pvt. Ltd
Email: rajiv.mangla@emergingindia.co.in
Tel No. + 91-11- 46509337, 9810412780