

JD Cables Limited

July 03, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 83.00 Crore	Regulator[^]
Long Term Rating	IVR BBB/Stable (Rating Assigned)	RBI
^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

Rationale

The rating assigned to the bank facilities of JD Cables Limited (JDCL) derives comfort from its experienced promoters, reputed clientele with healthy order book indicating satisfactory revenue visibility, steady growth in scale of operation and cash accruals, comfortable financial risk profile and favourable outlook of the user industry. However, these rating strengths are partially offset by vulnerability of profitability to volatility in the prices of raw material and finished goods, presence in highly fragmented & competitive sector with significant price war and working capital intensive nature of operation of the company.

Outlook: Stable

The Stable outlook on the long-term rating reflects Infomerics's opinion that JDCL's operational and financial performances will continue to benefit from its established market position, steady revenue growth and generation of adequate cash flows relative to its debt service obligations.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	Not Applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

- Steady growth in scale of operation and cash accruals**

The Total operating income (TOI) of JDCL has improved from Rs. 250.53 crore in FY25 to Rs. 364.59 crore in FY26 registering a Y-o-Y growth of ~46% driven by volumetric growth in sales of cables and conductors. The EBITDA margin has improved from 7.25% in FY24 to 13.62% in FY25 due to decline in raw material consumption cost and increase in scale of operation leading to

higher absorption of fixed overheads. Aided by the improvement in EDITDA, the PAT margin has improved from 4.64% in FY24 to 8.79% in FY25. The EBITDA margin and PAT margin continues to remain comfortable at 13.03% and 8.69% respectively in FY26. The company has generated a healthy gross cash accruals of ~Rs.33 crore in FY26 (~Rs.23 crore in FY25). Going forward, Infomerics expects the company's scale of operation to improve materially driven by healthy demand prospects along with the new manufacturing facility starting in Dankuni where the company has installed another 28000 kms which will double the total installed capacity to 56000 kms over the near term. The operating margins are also expected to remain at similar levels.

- **Comfortable financial risk profile**

The debt profile of the company comprises term loans, unsecured loans from promoters and working capital borrowings. The capital structure marked by overall gearing improved to 0.39x as on March 31, 2026 (1.55x as on March 31, 2025) on the back of accretion of profits to reserve coupled with equity infusion during the year through initial public offering resulting in healthy net worth base of ~Rs. 146 crores. The total indebtedness marked by TOL/ATNW improved to 0.62x as on March 31, 2026 (2.88x as on March 31, 2025). The Total debt/ EBITDA also improved from 1.35x in FY25 to 1.19x in FY26. The debt protection metrics remain comfortable with an interest coverage ratio of 10.8 times, Total debt/NCA of 1.72 times and DSCR of more than 7.5 times. Infomerics expects the financial risk profile to remain comfortable going forward as well, supported by improved cash generation and a stable working capital cycle.

- **Reputed clientele with healthy order book indicating satisfactory revenue visibility**

JDCL's customer base consists of reputed companies and big industry players. The repeat orders received from its clientele validates its capabilities. JDCL's clientele base has sound credit risk profile, which does reduce the counter party payment risk to a certain extent. Further, the company has an order book of ~Rs. 515 crores as on March 31, 2026, which the company expects to complete in next one year indicating a satisfactory revenue visibility in the near term.

- **Favourable outlook of the user industry**

Most of the revenue of the company is generated from power transmission and distribution segment wherein aluminium conductors and wires are used. Further, Power Transmission capacity has been increasing. India aims to reduce high electricity transmission and distribution system losses. JDCL is expecting to drive benefit from boost in power transmission sector particularly in eastern part of the country.

- **Experienced promoters**

Being incorporated in 2015, JDCL has a track record of operations of over a decade in the cables and conductors' industry. Moreover, the promoters and directors have experience of over a decade and thus the long-standing business experience of the promoter has helped the company to build established relationships with both customers and suppliers.

Weaknesses

- **Vulnerability to volatility in the prices of raw material and finished goods**

The operating margin of the company is vulnerable to volatility in the input prices (mainly aluminium ingots/rods, copper rods/wires, steel and insulating materials like XLPE/PVC compound) as well as realisation from finished goods. The prices and supply of the main raw material, steel wire rods directly impact the realisations of finished goods. However, presence of price escalation clause in most of the contracts protects the margin to certain extent.

- **Highly fragmented & competitive nature of the sector with significant price war**

The domestic cables and conductors' market is highly crowded with presence of many players with varied statures & capabilities. Thrust of the government in the sector, resulted in increase in the number of players. While the competition is perceived to be healthy, significant price cut by few players during the bidding process is a matter of serious concern as the same can dent the margins.

- **Working capital intensive nature of operation**

The operation of the company is working capital intensive marked by its high gross current asset days which stood at 204 days in FY26. The company has an elongated operating cycle of 113 days in FY26 (64 days in FY25). The deterioration in operating cycle is due to stretch in receivable and inventory days from 63 days and 41 days in FY25 to 78 days and 66 days in FY26 respectively. However, the working capital limit utilisation of the company stood low at ~43% in the past 12 months ended March 2026 indicating sufficient liquidity buffer.

Liquidity – Adequate

JDCL's liquidity position is expected to be adequate marked by insignificant long-term debt obligations, moderate capex plans and adequate headroom in average undrawn working capital limits. The average utilisation of the working capital limits remained low at ~43% over the 12 months ended March 31, 2026. The cash flow from operations remained negative in FY26 primarily due to a significant increase in working capital requirements associated with the sharp growth in the scale of operations. The company witnessed higher receivables and inventory levels

towards the year-end to support increased business volumes and execute the healthy order book, resulting in higher working capital absorption. Nevertheless, the negative operating cash flow is not attributable to weak operating performance, as the company continued to report healthy profitability and cash accruals during the year. The current ratio stood comfortable at 2.25x as on March 31, 2026. Overall, the company's liquidity is expected to remain adequate in the near term.

Rating Sensitivities

Upward Factors

- Growth in the scale of business with improvement in profitability metrics thereby leading to overall improvement in cash accruals on a sustained basis
- Sustenance of the capital structure with improvement in debt service coverage indicators on a sustained basis
- Improvement in liquidity marked by improvement in operating cycle and gross current asset days

Downward Factors

- Decline in revenue and profitability leading to deterioration in debt protection metrics on a sustained basis
- Deterioration in the capital structure marked by deterioration in Total debt to EBITDA to above 3x
- Further elongation in operating cycle leading to moderation in liquidity

About the Company

Incorporated in the year 2015 as a private limited company, West Bengal based JD Cables Limited (JDCL), is promoted by Mr. Piyush Garodia and is engaged in manufacturing of metal related products mainly wires, cables and conductors. The product range includes ACSR Conductor (Aluminium Conductor, Steel Reinforced), AAAC Conductor (All Aluminium Alloy Conductor), AAC Conductor (All Aluminium Conductor), LV XLPE/PVC insulated power cables, LV XLPE/PVC insulated control cables, LV aerial bunch cable and Single-core service wire. The company had two manufacturing units located at Belgachia (West Bengal) and Dankuni (West Bengal) with installed capacity of 6000 Kms and 22000 Kms respectively. Recently the company had set-up a new manufacturing facility in Dankuni where the company has installed another 28000 Kms.

Key Financial Indicators (Standalone):

For the year ended/ As on*	(Rs.cr)	
	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	250.53	364.59



EBITDA	34.13	47.51
PAT	22.02	31.72
Total Debt	45.91	56.63
Tangible Net Worth (TNW)	29.99	146.12
EBITDA Margin (%)	13.62	13.03
PAT Margin (%)	8.79	8.69
Overall Gearing (times)	1.55	0.39
Interest Coverage (times)	9.36	10.82

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Applicable Criteria

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning Rating outlook](#)

[Policy on Default Recognition and Post Default Curing Period](#)

[Complexity Level of Rated Instruments/Facilities](#)

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years

Sr. No.	Instruments/Facilities	Current Ratings (Year 2026-27)				Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
					Jun 23, 2026	Jun 09, 2025	-	-
1.	Fund based facilities	LT	83.00	IVR BBB/Stable	Withdrawn	IVR BBB-/Stable	-	-

Annexure 1: Instrument/Facility Details

Name of Facility/Security	ISIN	Date of Issuance	Coupon Rate/IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/Outlook	Listing Status	Regulator ^	Complexity Indicator
Cash Credit	-	-	-	-	33.00	IVR BBB/Stable	NA	RBI	Simple
Cash Credit	-	-	-	-	50.00	IVR BBB/Stable	NA	RBI	Simple

^Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/Len_ID_Cables03_Jul26_52f816cc9b.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable**Annexure 4: List of companies considered for Consolidated/Combined analysis: Not Applicable****Annexure 5: List of activities / instruments and names of regulators**

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) *	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) *	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) *	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings/Loans from overseas lenders/Loans from Multilaterals	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	Refer foot note
15	Issuer Ratings #	Refer foot note
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts	SEBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI

21	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
22	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
23	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
24	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) @	Investor-side Regulator such as IRDAI, PFRDA

Footnotes:

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In Press Release(s) subsequent to issuance(s), CRA shall separately capture the rated quantum details along with names of respective regulators.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

@ These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side regulators have been included.

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About Infomerics

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