

Rating Rationale

11 Feb 2026

Special Cables Pvt Ltd

Brickwork Ratings reaffirms the long-term and short-term ratings for bank loan facilities of Rs. 88.54Cr., and assigns the rating for the bank loan facilities of Rs. 66.66Cr.

Particulars:

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (1st Aug 2025)	Present
Fund Based					
Cash Credit -Sanctioned	38.00	40.00	Long Term	BWR BBB /positive removal from ISSUER NOT COOPERATING* category/Upgraded	BWR BBB/Positive Reaffirmation
ECLGS-Outstanding	1.62	1.11	Long Term	BWR BBB /positive removal from ISSUER NOT COOPERATING* category/Upgraded	BWR BBB/Positive Reaffirmation
Term Loan- Outstanding	3.35	2.93	Long Term	BWR BBB /positive Assignment	BWR BBB/Positive Reaffirmation
Term Loan-Sanctioned		30	Long Term	–	BWR BBB/Positive/ Assignment
Term Loan- Sanctioned		35	Long Term	–	BWR BBB/Positive/ Assignment
CCOL–Sanctioned		1.00	Long Term	–	BWR BBB/Positive/ Assignment

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (1st Aug 2025)	Present
Sub Limits of Fund Based Limits					
Export Credit Facilities(Sub Limit of Cash Credit) -Sanctioned	0.00	(40.00)	Short Term		BWR A3+ Assignment
Bank guarantee Inland(Sub Limit of Cash Credit)--Sanctioned	0.00	(4.00)	Short Term		BWR A3+ Assignment
Foreign Bill Purchased(Sub Limit of Cash Credit)-Sanctioned	0.00	(40.00)	Short Term		BWR A3+ Assignment
Foreign Currency Term Loan(Sub Limit of Term loan of Rs. 35Crs)-Sanctioned	0.00	(35.00)	Long Term		BWR BBB/Positive Assignment
Letter of Credit For Purchase of Capital Goods(Sub limit of Term Loan of Rs. 35Crs.)-Sanctioned	0.00	(20.00)	Long Term		BWR BBB/Positive Assignment
WCL(Sub limit of CCOL)-Sanctioned	0.00	(1.00)	Long Term		BWR BBB/Positive Assignment
Sub Total (Fund Based)	<i>42.97</i>	110.04			

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	Present		Previous (1st Aug 2025)	Present
Non Fund Based					
Bank Guarantee-Sanctioned	32.5	35.00	Short Term	BWR A3+ removal from ISSUER NOT COOPERATING* category/Upgraded	BWR A3+ Reaffirmation
Letter of Credit-Sanctioned	6.00	6.00	Short Term	BWR A3+ removal from ISSUER NOT COOPERATING* category/Upgraded	BWR A3+ Reaffirmation
Loan Equivalent Risk-Sanctioned	3.5	3.5	Short Term	BWR A3+ removal from ISSUER NOT COOPERATING* category/Upgraded	BWR A3+ Reaffirmation
Forward Contract Limit-Sanctioned		0.66	Short Term		BWR A3+ Assignment
Sub Total (Non-Fund Based)	<i>42</i>	45.16			
Grand Total	<i>84.97</i>	155.20	(Rupees One Fifty-five Crore Twenty Lakhs Only)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Details of Bank Loan facilities is provided in Annexure-I

RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) reaffirms the bank loan rating of “BWR BBB/Positive/A3+” for bank loan facilities of Rs. 88.54 Crs and assigns BWR BBB/Positive/A3+ for the rating for the credit facilities of Rs. 66.66Crs. availed from the lender.

The assignment of the ratings, considering the promoters’ extensive experience, notes that the firm maintains an improvement in the financial profile. The firm has a strong liquidity position.

The outlook has been retained Positive as BWR believes that the business risk profile of the firm will be improved over the medium term in view of the proposed capex. The positive outlook indicates a likelihood of a rating change over the medium term. For assigning the rating, BWR has relied upon the last 3 years of audited financials till FY25, & projection financials for FY26 & FY27, and publicly available information and clarification provided by management.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities.

KEY RATING DRIVERS

Credit Strength-:

- **Strong Financial Performance :**

SCPL’s financial risk profile remains comfortable, supported by its comfortable capital structure, and improving scale of operations, and profitability in FY24 and FY25. The company reported a ~16% increase in TOI to Rs.355.17 crore in FY25 (Rs.305.01 crore in FY24). The, Timely commencement of the project and consequent improvement in profitability margins through change in product mix will remain a key monitorable. SCPL’s capital structure remained comfortable, with overall gearing at 0.83x in FY24 and 0.91x as on March 31, 2025, supported by a strong net worth position. Debt protection metrics are healthy, with DSCR marginally increasing to 2.24x in FY25 from 1.98x in FY24, reflecting improved absolute profitability. With improved earnings visibility and better operating leverage expected from FY26, the financial risk profile is likely to strengthen further.

- **Strong Market position:**

Special Cables boasts over four decades of operational experience in the cable industry, offering a broad product portfolio of twenty different cable types. This includes power, fire, solar, railway signaling, marine and offshore, and rubber and silicon cables, allowing the company to serve diverse customer segments across various industries. The company maintains a reputed client base, supplying products to major entities like Bharat Heavy Electrical Limited, JSW Steel Limited, TATA Projects, Indian Railways, and TATA Steels. With a presence in over 24 countries through its distribution channels, Special Cables has a strong market reach. Due to high demand of medium voltage cable, the company is setting up new plant in Alwar, which provides clear revenue visibility for the medium term, with revenue projected to grow 10-15% over the same period.

- **Experienced Management and Advanced Manufacturing :**

SCPL's management team brings over four decades of experience within the cable industry. This accomplished group comprises highly professional, technically qualified, and extensively experienced personnel with demonstrated expertise in cable manufacturing, complemented by management specialists from esteemed organizations. The company's manufacturing facility in Rudrapur spans more than 20,000 square meters, positioning it as a prominent cable production plant in India. This facility is

comprehensively equipped with advanced machinery for all stages of cable production, including wire drawing, stranding, bunching, taping, extruding, laying, twisting, armoring, braiding, and rewinding. SCPL's commitment to excellence is evidenced by its certifications from TUV Nord: ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health and Safety Management). By leveraging fully automated machinery from leading manufacturers, SCPL ensures its cables consistently deliver the highest levels of quality, reliability, and safety.

Credit Risks:-

- **Intense competition and Low bargaining power :**

The Indian aluminum and copper conductor industry faces intense competition due to low product differentiation, where basic wire rods (a key raw material) are largely commoditized. For instance, the India aluminum bare wire conductor market was valued at \$1,668.2 million in 2023 and is projected to reach \$2,522.5 million by 2033, growing at a CAGR of 4.3%. This fragmented market includes numerous players intensifying the competitive landscape. Furthermore, domestic producers contend with significant bargaining power from major customers, primarily large, organized players in the power transmission business and state utilities. A substantial portion of their procurement, are conducted through competitive tendering processes. The industry is also impacted by the threat of subsidized imports of wire rods. While a basic customs duty of 5.00% and a total duty of 22.85% apply to aluminum wire rods and similar duties exist for steel wire rods, the influx of cheaper imports, particularly from countries like China, can undercut domestic pricing. This creates a challenging environment for local manufacturers to maintain their competitiveness.

- **Susceptibility of operating margin to volatility in raw material prices and finished goods:**

Raw materials are the primary cost driver, accounting for approximately 70-80% of total revenue. Given the volatile nature of raw material prices, the company's profit margins are vulnerable to fluctuations. Although finished good prices generally move in sync with raw material costs, there's often a time lag. Additionally, finished aluminum prices are highly susceptible to changes driven by global supply and demand dynamics and broader macroeconomic factors.

ANALYTICAL APPROACH - Standalone

For arriving at these ratings, BWR has considered the standalone performance of Special Cables Pvt Ltd. BWR has applied its rating methodology.

RATING SENSITIVITIES

Going forward, the ability of the company to improve its revenue and financial risk profile would remain the key rating sensitivities

Upward:

- There is a growth in TOI by 10% while maintaining the EBITDA margin over 6% while the TOL/TNW below below 1.25x.
- The current ratio is above than 1.3x
- Satisfactory implementation/completion of project on hand/Capex.

Downward:

- Decline in TOI and in the profitability margin as well as increase in TOL/TNW to more than 2x times on a sustained basis might be negative.

- Further elongation in operating cycle marked by stretch in inventory and receivables days
- Delay in implementation of capex beyond the timeline might be negative.

LIQUIDITY INDICATORS - Strong

The company's strong liquidity is covering the debt obligations, and has the reasonable Current Ratio. They have cash accruals of Rs.10.32Cr generated in FY24 and Rs.9.19Cr. in FY25 against the CPLTD of Rs.2.57Cr and Rs. 2.33Cr. respectively. The cash & bank balance stands at Rs 5.10Cr in FY24 and at Rs 5.46Cr. in FY25. The cash credit facility has been utilized at the extent of 79%. The liquidity is marked by a standard Current Ratio of 1.53 in FY24 and 1.24 in FY25 which reflects a healthy liquidity position of the company to serve future short term liabilities with the current assets. The DSCR remains comfortable at 1.98 in FY24 and 2.24 in FY25 indicating company's capability to pay off its short-term obligation. The company is in capex mode, the financial closure has been completed and there is a moratorium of 18months. So CPLTD and loan repayment will resume in FY28. The company has sufficient headroom to utilize the cash accruals and utilized cash credit limit for its future operational requirements.

ABOUT THE ENTITY:

Special Cables Pvt. Ltd. (SCPL) was incorporated in 1983 as a private limited company and began its business operations in 1985. Starting as a manufacturer of special purpose cables including Screened, Co-axial & Telephone cables, the company has expanded its product range to include Power cables, Control cables, Instrumentation cables, Fire Survival cables, Solar cables, Mining cables, Rubber cables, Composite cables, High Temperature Cables, Railway Power & Signaling Cables, A.B. cables, Overhead conductors, House wires, Multicore Flexible cables etc. The manufacturing facilities of the company are located in Rudrapur, Uttarakhand with an installed capacity to manufacture wires, cables & conductors upto Rs. 3500 million/annum and provides employment to over 250 workmen.

Macro Economic Indicator	Sector	Industry	Basic Industry
Industrial	Capital Goods	Industrial products	Cables-Electrical

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY 22 - 23 (Audited - Annual)	FY 23 - 24 (Audited - Annual)	FY 24 - 25 (Audited - Annual)
Operating Revenue	Rs.Crs.	292	305.01	355.17
EBITDA	Rs.Crs.	11.42	16.38	20.40
PAT	Rs.Crs.	2.91	8.41	8.80
Tangible Net Worth	Rs.Crs.	36.92	45.33	54.12
Total Debt / Tangible Net Worth	Times	1.23	0.83	0.91
Current Ratio	Times	1.38	1.53	1.24

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:

The company has no outstanding rating with any other CRA's.

ANY OTHER INFORMATION: None

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities/Instrument	Current Rating(2026)			2025		2024		2023	
	Tenure	Amount	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	Long Term	110.04	BWR BBB/Positive Reaffirmation	1st August 2025	Withdrawal	27th June 2024	BWR BB/Stable Continues to be in ISSUER NOT COOPERATING* category/Dow ngraded)	3rd April 2023	BWR BB+/ Stable (Continue to be Issuer Non Co-operating/ Downgrade
	Long Term Sub Limits	(56.00)	BWR BBB/Positive Assignment		BWR BBB/Positive Removal from INC category /Upgrade and Assignment (Rs. 42.97Crs)				
	Short Term Sub Limits	(80.00)							
Non Fund Based	Short Term	45.16	BWR A3+/ Reaffirmation	1st August 2025	BWR A3+ Removal from the INC category/ and upgraded (Rs. 42.00 Crs)	27th June 2024	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Dow ngraded)	3rd April 2023	BWR A4+ (Continues to be Issuer Non Co-operating/ Downgrade)
	Short Term Sub Limits	(4.00)	BWR A3+/ Assignment						
Grand Total		155.20	(Rupees One Fifty-five Crores and Twenty Lakhs Only)						

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to financial ratios](#)
- [Short Term Debt](#)
- [Manufacturing Companies](#)
- [Trading Entities](#)

Analytical Contacts

Srija Das
Rating Analyst
srija.das@brickworkratings.com

Sabitha M Nayak
Associate Director - Ratings
sabitha.nayak@brickworkratings.com

1-860-425-2742 media@brickworkratings.com

Customer Support CustSupport@brickworkratings.com

Special Cables Pvt Ltd

**ANNEXURE I
Details of Bank Loan Facilities rated by BWR**

Name of the Bank	Facilities	Tenure	Amount (Rs.Crs.)	Complexity of the Instrument
Axis Bank	Cash Credit Limit- Sanctioned	Long Term	40.00	Simple
Axis Bank	Term Loan-Outstanding	Long Term	2.93	Simple
Axis Bank	ECLGS - Outstanding	Long Term	1.11	Simple
Axis Bank	Term Loan-Sanctioned	Long Term	35.00	Simple
Axis Bank	Export Credit Facilities(Sub Limit of Cash Credit)-Sanctioned	Short Term	(40.00)	Simple
Axis Bank	Bank guarantee Inland(Sub Limit of Cash Credit)--Sanctioned	Short Term	(4.00)	Simple
Axis Bank	Foreign Bill Purchased(Sub Limit of Cash Credit)-Sanctioned	Short Term	(40.00)	Simple
Axis Bank	Foreign Currency Term Loan(Sub Limit of Term loan of Rs. 35Crs)-Sanctioned	Long Term	(35.00)	Simple
Axis Bank	Letter of Credit For Purchase of Capital Goods(Sub limit of Term Loan of Rs. 35Crs.)-Sanctioned	Long Term	(20.00)	Simple
South Indian Bank	Term Loan-Sanctioned	Long Term	30.00	Simple
South Indian Bank	CCOL-Sanctioned	Long Term	1.00	Simple
South Indian Bank	WCL(Sub limit of CCOL)-Sanctioned	Long Term	(1.00)	Simple
Total of Long-Term Limits			110.04	
Axis Bank	Bank Guarantee - Sanctioned	Short Term	35.00	Simple
Axis Bank	Loan Equivalent Risk-Sanctioned	Short Term	3.5	Simple
Axis Bank	Letter of Credit - Sanctioned	Short Term	6.00	Simple
South Indian Bank	Forward Contract Limit-Sanctioned	Short Term	0.66	Simple
Total of Short-Term Limits			45.16	
Total (Rupees One Fifty-five Crores and Twenty Lakhs Only)			155.20	

*For more information visit: www.brickworkratings.com/download/ComplexityLevels.pdf

ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

NIL

ANNEXURE III
List of entities consolidated

NIL

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