

Delton Cables Limited

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CIN : L31300DL 1964PL C004255

AN ISO 9001-2008 COMPANY

August 29, 2025

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

BSE Scrip Code : 504240

Sub: Disclosure under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Infomerics Valuation and Rating Pvt. Ltd (Credit Rating Agency) has re-affirmed the rating of the Company as follows:

S. No.	Type of credit rating	Current Rating	Previous Rating
1	Long term Bank Facilities	IVR BBB/ Stable (IVR Triple B with Stable outlook)	IVR BBB/ Stable (IVR Triple B with Stable outlook)
2	Short Term Bank Facilities	IVR A3+ (IVR A Three Plus)	IVR A3+ (IVR A Three Plus)

Press Release dated August 29, 2025 issued by the credit rating agency is also enclosed herewith.

Kindly take the same on your records.

Thanking you,

Yours faithfully

For Delton Cables Limited

Jitender Kumar
Company Secretary & Compliance Officer

Encl. as above



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Delton Cables Limited

August 29, 2025

Ratings

Instrument Facility	Amount (Rs. Crore)	Current Ratings	Previous Rating	Rating Action	Complexity Indicator
Long term Bank Facilities	84.30	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB/Stable (IVR Triple B with Stable Outlook)	Rating re-affirmed	Simple
Short Term bank Facilities	185.00	IVR A3+ (IVR A Three Plus)	IVR A3+ (IVR A Three Plus)	Rating re-affirmed	Simple
Total	269.30	Rupees Two Hundred Sixty Nine Crore and Thirty lakhs only.			

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Detailed Rationale

Infomerics Valuation and Rating Limited (IVR) has re-affirmed the long/Short Term rating to IVR Triple B with a Stable outlook & IVR A3+ for the bank loan facilities of Delton Cables Limited (DCL).

The re-affirmation in the ratings assigned to the bank facilities of Delton Cables Limited is driven by the strong business performance of the company in FY25 [ie refers to the period from April 01, 2024 to March 31, 2025] and subsequently in Q1Y26 underpinned by improvement in its scale of operation and profitability. Further, the ratings continue to derive strength from its experienced promoters, established market position, locational advantage and wide range of products in the wire industry supported by reputed clientele. However, these rating strengths remain constrained by DCL exposure to intense competition, vulnerability of profitability to volatility in the prices of raw material & finished goods and working capital intensive nature of its operations.

The stable outlook indicates a low likelihood of rating change in the medium term. IVR believes that the Delton Cables Limited business & financials risk profile will be maintained over the over the medium term considering the overall risk profile of the company.



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IVR has principally relied on the standalone audited financial results of DCL up to FY25(A) (review period from April 01, 2024 to March 31, 2025) and three years projected financials till FY28, and publicly available information/ clarifications provided by the company's management.

Key Rating Sensitivities:

Upward Factors

- Significant and sustained growth in scale of business with TOI over Rs.1000.00 cores with further improvement in profitability margins thereby leading to overall improvement in cash accruals.
- Sustenance of the capital structure and improvement in debt protection metrics with ICR over 2.40x on a sustained basis.
- Managing working capital requirement efficiently leading to improvement in the operating cycle with improvement in liquidity

Downward Factors

- Moderation in total operating income and/or moderation in profitability due to decline in sales.
- Moderation in the capital structure with moderation in overall gearing above 2.50x and/or moderation in debt protection metrics with ISCR below 2.30x.
- Further elongation of the operating cycle leading to weakening in liquidity position.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced Promoters and Management Team with Established Track Record of Operations:**

Delton Cables Limited benefits from a highly experienced and visionary leadership team with decades of expertise in the cable industry. Led by Chairman Mr. V.K. Gupta, who has over 54 years of industry experience, the management includes professionals with strong backgrounds in finance, operations, marketing, and strategic development. Key family members and



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independent directors bring diverse skills across business development, international trade, real estate, and corporate governance. This seasoned team has consistently driven operational excellence and innovation, enabling the company to achieve sustainable growth, reflected in its strong revenue performance of Rs. 709.26 crore in FY25.

- **Reputed Clientele:**

The company serves a prestigious and diversified clientele, including Government and large private-sector players in power, telecommunications, railways, steel, and mining. Notable customers include PSUs and major corporations such as BHEL, ABB, Siemens, L&T, BSNL, and Indian Railways. The frequent repeat orders from this strong client base validate Delton's delivery excellence. While the company's bargaining power may be limited, its clients' robust credit profiles help mitigate counterparty payment risks.

- **Improved Scale of Operations with Moderate Profitability Pressures in FY2025 and subsequently in 3MFY26**

Delton Cables Limited witnessed a sharp improvement in its total operating income in FY25, with revenues increasing by nearly 76–77% year-on-year to ₹709.26 crore from ₹400.86 crore in FY24. This growth was primarily driven by strong demand from the railways (around 45% share), EPC contracts (about 43%), and the telecom segment (11%), reflecting a healthy diversification of revenue streams. The company benefited from capacity expansion initiatives, including the commissioning of a new EPC cable plant in Haryana in October 2024 and investments in a telecom product facility at Palwal, which enhanced its production capabilities. Additionally, favourable industry tailwinds such as increased infrastructure development, government policies like Atmanirbhar Bharat and PLI schemes, and growing investments in power, telecom, and railway sectors further boosted demand. Collectively, these factors led to a substantial rise in total operating income for FY25.

In absolute terms, EBITDA improved from Rs. 28.04 crore in FY24 to Rs. 45.61 crore in FY25, due to increased TOI. However, the EBITDA margin declined by 56 bps and noted at 6.43% in FY25 primarily on account of volatility in raw material prices, especially copper, which forms a key input for cable manufacturing. Sharp fluctuations in commodity prices led to higher procurement costs, and due to intense competition in the industry, the company could not immediately pass on these increases to customers.

In absolute terms, PAT has improved around ~39.98% from Rs. 14.65 crore in FY24 to Rs. 20.51 crore in FY25 due to an increase in EBITDA and profits from exceptional items. However, the PAT margin decreased by 75 bps and noted at 2.89% in FY25 despite strong



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revenue growth, mainly due to higher finance costs and increased depreciation expenses arising from capacity expansion and plant commissioning.

Delton Cables delivered a solid Q1 FY26 with year-on-year revenue growth of 9% to ₹156.7 crore and a sharp 38% increase in EBITDA, lifting margins to 8.74%. This margin expansion stemmed from a favourable shift toward higher-margin EPC business, an expanding order book of ₹309 crore dominated by EPC and telecom, and the commissioning of its third plant. Despite these gains, PAT showed only a marginal rise of 2%, with the PAT margin slightly softening due to elevated non-operating costs and aggressive expansion. Going forward, the company remains focused on driving profitable growth with enhanced capital efficiency.

- **Healthy Order Book Ensuring Revenue Visibility:**

As of June 26, 2025, the company holds a healthy order book of Rs. 328.45 crore, providing strong revenue visibility over the upcoming months. The highest contribution comes from power cables (Rs. 188.43 crore), primarily for civil construction projects. The diversified order mix spans key sectors such as EPC, railways, and telecom, covering products like instrument cables, control cables, quad cables, and fibre cables—reflecting the company's wide industry reach and growing market demand.

- **Favourable Outlook for Cable, Conductors & Wires in India:**

India's power sector is witnessing rapid expansion, creating strong demand for cables and conductors. As of June 2025, the country's installed power capacity has reached approximately 484.8 GW, with non-fossil sources contributing around 50%. Peak electricity demand hit a record 250 GW in FY25, and per capita power consumption rose to 1,395 kWh. Rural electrification has significantly improved, with supply increasing from 12.5 to 22.6 hours daily since 2014. These developments support a positive industry outlook, benefiting companies like Delton Cables with increased infrastructure and electrification needs.

Key Rating Weaknesses

- **Moderate Financial Risk Profile:**

The company has a moderate capital structure on the back of its adjusted tangible net worth which is noted at Rs. 81.29 crore in FY25 (*an increase of 44% from FY24*), due to accumulation of profits. The company's TOL/ATNW ratio deteriorated and stood moderate high at 4.00x in FY2025 from 3.47x in FY2024, as the company took on significantly higher debt to fund its capacity expansion initiatives. As as on March 31, 2025, the company witnessed a significant increase in **factoring arrangement**, reflected in the sharp rise in short-term borrowings from ₹103.62 crore in FY24 to ₹158.92 crore in FY25. This increase was primarily necessitated by the steep growth in trade



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receivables, which almost doubled from ₹95.76 crore to ₹160.68 crore during the same period, on account of higher sales and extended credit to customers. With a larger portion of funds locked in receivables, the company relied more heavily on receivable-backed financing and working capital borrowings, such as factoring, trade finance, or bank overdrafts, to maintain liquidity and support its expanded scale of operations. Additionally, the company's financial leverage marginally declined, with the overall gearing ratio noted at 2.12x in FY2025 due to increase in debt; however Total Debt/GCA ratio improved and noted at 8.65 years in FY2025 from 11.06 years in FY2024, due to increase in GCA.

- **Exposure to Intense Competition Leading to Range-Bound Margins:**

The company operates in a highly competitive industry, facing pressure from both organized and unorganized players in the cable and wire segment. This intense market competition limits the company's pricing power, resulting in range-bound operating margins despite steady revenue growth. Additionally, the presence of several established domestic and international manufacturers intensifies pricing and volume pressures. As a result, sustaining profitability while maintaining market share remains a key challenge for the company in the current industry landscape.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing entities](#)
[Financial Ratios & Interpretation Non- Financial Sector](#)
[Criteria for assigning rating outlook](#)
[Policy on Default Recognition](#)
[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The company has adequate liquidity as seen by gross cash accruals of Rs. 19.91 crore in FY25 as against repayment of long-term borrowings amounting to Rs. 8.31 crore. Further, the company is expected to generate cash accruals in the range of Rs. 35.70 crore – Rs. 72.91 crore as against its debt servicing obligation of ~Rs. 11.50 crore – Rs. 8.78 degrees Crore FY26-28. The overall working capital limits are utilized to the extent of 79.55% during the past 12 months ended May 2025 indicating moderate utilization indicating an adequate liquidity buffer. The current ratio reported by the company is 1.17x in FY25. All these factors reflect adequate liquidity position of the company.



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About the Company

Delton Cables Limited (DCL) was founded in 1948 by Shri Ram Kumar Gupta, initially operating as a private company from 1964 before transitioning to a public limited company in 1981. Over the years, the company has established itself as a trusted name in the Indian electrical industry, known for its commitment to quality, innovation, and ethical business practices. Delton manufactures a wide range of products including power, instrumentation, control, and telecommunication cables, along with specialized cables such as flexible, high-temperature, and data transmission types.

Financials (Standalone):

For the year ended* As on	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Audited
Total Operating Income	400.86	709.26
EBITDA	28.04	45.61
PAT	14.65	20.51
Total Debt	113.13	172.26
Tangible Net worth*	56.44	81.29
EBITDA Margin (%)	6.99	6.43
PAT Margin (%)	3.63	2.89
Overall Gearing Ratio (x)	2.00	2.12
ISCR (x)	1.64	1.82

*as per Infomerics standards

Status of non-cooperation with previous CRA : Brickwork Ratings continued the rating to Issuer Non-Cooperation category dated September 04, 2024 due to information insufficiency and lack of management cooperation.

Any other information: : Nil

Rating History for last three years:



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Sl. No.	Name of Instrument/Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 Dated : July 26, 2024	Date(s) & Rating(s) assigned in 2023-24 Dated: Oct 11, 2023	Date(s) & Rating(s) assigned in 2022-23 Dated: Dec 30, 2022
1	Term Loan	Long Term	9.30	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)
2	Cash Credit	Long Term	30.00	IVR BBB/Stable (IVR Triple B with Stable Outlook))	IVR BBB/Stable (IVR Triple B with Stable Outlook))	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)
3	WCDL	Long Term	45.00	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)	IVR BBB-/ Stable (IVR Triple B Minus with Stable outlook)
3	Letter of Credit/ Bank Guarantee	Short Term	165.00	IVR A3+ (IVR A Three Plus)	IVR A3+ (IVR A Three Plus)	IVR A3 (IVR Single A Three)	IVR A3 (IVR Single A Three)
4	Receivable Financing	Short Term	20.00	IVR A3+ (IVR A Three Plus)	-	-	-

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt



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instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Term Loan			July 2027	3.43	IVR BBB/Stable (IVR Triple B with Stable Outlook)
Long Term Bank Facilities – Term Loan			July 2027	0.70	IVR BBB/Stable (IVR Triple B with Stable Outlook)
Long Term Bank Facilities – Term Loan			Oct 2028	5.17	IVR BBB/Stable (IVR Triple B with



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					Stable Outlook)
Long Term Bank Facilities – Cash Credit			-	30.00	IVR BBB/Stable (IVR Triple B with Stable Outlook)
Long Term Bank Facilities – WCDL			-	45.00	IVR BBB/Stable (IVR Triple B with Stable Outlook)
Short Term Bank Facilities – Bank Guarantee/Letter of Credit			-	165.00	IVR A3+ (IVR A Three Plus)
Short Term Bank Facilities – Receivable Financing			-	20.00	IVR A3+ (IVR A Three Plus)

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-deltocables-aug25.pdf>

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com