

Delton Cables Limited

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CIN : L31300DL 1964PL C004255

AN ISO 9001-2008 COMPANY

To,

Date: 04th June, 2020

BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400001

Subject: Intimation under Regulation 30 of SEBI (LODR) Regulations, 2015 in the context of pandemic of Corona virus (Covid-19)

Sir,

Pursuant to Regulations 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20th May, 2020, we hereby inform about the impact of COVID-19 pandemic on the business operations as disclosed in Annexure-1.

You are therefore requested to kindly take note of the same on your records in compliance of SEBI (LODR), Regulation 2015.

Thanking You,

Yours Faithfully,

For **Delton Cables Limited**

Vikas Rawat

Company Secretary & Compliance Officer

1. Impact of the CoVID-19 pandemic on the business

The Company's manufacturing and supply facilities remained closed from March 23, 2020 due to lockdown resulting no sale during that period, However the operations of the Company were partially re-opened on May 06, 2020 after getting the approvals from the local authorities with limited manpower but due to continuation of the lockdown in the country there is significant decline in the production and sale of the Company, thereby the business of the Company is adversely affected.

In terms of financial figure, decline on revenue from operation and profit after tax (based on best judgement) in Q4FY 2019-20 is Rs.1703 lakh (approx.) and Rs. 170.30 lakh respectively.

2. Ability to maintain operations including the factories/ units/office spaces functioning and closed down

The Company has partially resumed its operations in its factory as mentioned in point no. 1 considering order book and available workforce. Also, the registered office of the Company is opened on June 01, 2020 with minimal workforce, adhering to the safety norms prescribed by the State Government, Central Government and local authorities issued from time to time.

3. Schedule, if any, for restarting the operations

As explained in point no. 2 above

4. Steps taken to ensure smooth functioning of operations

The Company is taking utmost care of its staff and work force and taking necessary preventive measures like sanitization, social distancing, mandatory mask wearing, and thermal check at the gate, maintaining proper hygiene following MHA guidelines. The Company has taken various control measures to smoothly manage the operations which also includes work from Home at administrative level.

5. Estimation of the future impact of CoVID-19 on its operations

The operations of the Company have been adversely affected with significant decline in sale and revenues during the Lock Down period and the company expect this trend to be continued in near future till it achieve stabilization of normal operations. The Company is also monitoring the changing business environment as it evolves and closely monitoring it and taking required measures.

6. Details of impact of CoVID-19 on listed entity

- (i) **Capital and Financial Resources:** Due to low realization of dues from customers, capital and financial resource decline to support this we get covid-219 assistance form consortium lenders of Rs. 256 lakh.

- (ii) **Profitability:** As mentioned above in point No-1
- (iii) **Liquidity Position:** the company has experience slowdown in collection from customer resulting in temporary liquidity crunch and further resulting in slowdown of payment to be released to vendor by the company. However, Company tries to balance the liquidity crunch by availing covid assistance from lenders of Rs. 256 lakh and trying/making efforts to convert its non-fund based facility into fund based facility.
- (iv) **Ability to service debt and other financial arrangements:** Due to covid-19 there is no significant impact on company's ability to service debt. However, the company has exercised the moratorium option to pay lender and also, duly pay its creditors, salaries and statutory dues.
- (v) **Assets:** There is no significant impact on debtors and inventory and all assets are at fair value
- (vi) **Internal financial reporting and control:** All the internal financial reporting and controls have been maintained adequately.
- (vii) **Supply chain:** The supply chain has been disrupted in view of the lockdown since March 2020 and is gradually returning to normalcy based on state wise regulation. Availability of transportation for raw materials, packing materials and finished goods was an issue in view of countrywide lockdown. However, the situation is improving gradually as central as well as state government relaxing the movement of goods.
- (viii) **Demand for its product:** Short term downward demand in wire and cables may arise as capital spending on infrastructure sector to be expected at reduced rate, however in long run demand is strong.

7. Existing contracts/agreements where non-fulfilment of the obligations by any party will have significant impact on the listed entity's business

Currently, the Company is in the process of reviewing impact of Covid on large contractual obligations of our customers. It is possible the Company may be required to make significant provisions in its financials in respect of certain contracts where huge receivable are still pending. The Company is cognizant of the fact and regularly evaluating and monitoring other contractual positions also.

8. Other relevant material updates about the listed entity's business

All relevant material information been updated from time to time.

For **Delton Cables Limited**

Vikas Rawat
Company Secretary & Compliance Officer