



## Press Release

### OSEL Devices Limited

January 29, 2026

#### Ratings

| Facility                        | Amount<br>(Rs. crore)                                                          | Current<br>Ratings                                                   | Previous<br>Ratings                                                  | Rating<br>Action     | Complexity<br>Indicator |
|---------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|----------------------|-------------------------|
| Long-term<br>Bank<br>Facilities | 108.00<br>(enhanced from<br>48.00)<br>(including<br>proposed limit of<br>0.30) | IVR BBB+/<br>Stable<br>(IVR Triple B<br>Plus with<br>Stable outlook) | IVR BBB+/<br>Stable<br>(IVR Triple B<br>Plus with<br>Stable outlook) | Rating<br>reaffirmed | <a href="#">Simple</a>  |
|                                 | <b>108.00</b><br><b>(Rs. One hundred<br/>eight crore only)</b>                 |                                                                      |                                                                      |                      |                         |

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### Detailed Rationale

The reaffirmation of the rating assigned to the bank facilities of OSEL Devices Limited (ODL) continues to derive comfort from extensive experience of the promoters, steady increase in the scale of operations with improvement in profitability, above average financial risk profile and reputed clientele. These rating strengths are partially offset by exposure to technology obsolescence and raw material price fluctuations risks and moderate working capital requirement.

The outlook assigned on the long-term rating is Stable on the back of above average financial risk profile coupled with satisfactory demand outlook of consumer-electronics industry.

#### Key Rating Sensitivities:

##### Upward Factors

- Sustained improvement in scale of operations along with improvement in profitability.
- Sustained improvement in the capital structure with improvement in debt coverage indicators.

##### Downward Factors

- Moderation in scale of operation and/or profitability.
- Deterioration of capital structure and debt coverage indicators.



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- Deterioration in working capital management.

### List of Key Rating Drivers with Detailed Description

#### Key Rating Strengths

- **Extensive experience of the promoters**

Since its incorporation in 2006, OSEL Devices Limited has leveraged the deep industry expertise of its key promoter, Mr. Rajendra Ravi Shanker Mishra, who brings over two decades of experience in the consumer-electronics sector. This seasoned leadership has enabled the company to achieve significant scale, build a robust client portfolio, and maintain long-standing relationships with prominent organisations such as Doordarshan, ISRO, DRDO and Adidas, thereby supporting steady revenue growth and operational stability.

- **Steady increase in the scale of operations with improvement in profitability**

The revenue of the company has been increasing at a CAGR of ~51% during the last three years and ended at Rs. 186.47 crore during FY25 (refers to period April 1st, 2024 to March 31st, 2025). Notably, the company have achieved Rs. 146.86 crore revenue till H1FY26 (refers to period April 1st, 2025 to September 30th, 2025), which is ~68% more than previous year same period primarily driven by recent market visibility after listing of the company and additional revenue flow from selling Philips feature phones. Moreover, profitability margins of the company have sustainably improved in FY25 reflecting from EBITDA margin of 17.91% and PAT margin of 10.75% compared to 16.96% and 9.56% in FY24 (refers to period April 1st, 2023 to March 31st, 2024) on account of notable reduction in variable costs, thereby driving enhanced profitability. Further, the company's EBITDA and PAT margin stood at 16.79% and 10.34% respectively as on September 30, 2025.

- **Above average financial risk profile**

Financial risk profile of the company stood above average marked by improved tangible net worth of Rs. 107.95 crore as on March 31, 2025, Rs. 25.34 crore as on March 31, 2024, and Rs. 12.66 crore as on March 31, 2023, on account of accretion of reserves driven by listing of the company on the NSE SME on September 24, 2024, which raised capital of Rs. 60.75 crore. Furthermore, the tangible net worth improved to Rs. 176.33 crore by September 30, 2025, owing to an additional Rs. 57.32 crore raised through fully convertible preference shares in two phases. Overall gearing stood improved to 0.46x as on March 31, 2025, compared to 1x as on March 31, 2024, on account of substantial increase in net worth and the prepayment of a large portion of bank borrowings from listing proceeds. Led by overall improvement in the



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net worth the overall indebtedness of the company has also improved reflecting from TOL/TNW of just 0.83x as on March 31, 2025, compared to 2.89x as on March 31, 2024, and 2.85x as on March 31, 2023. The debt protection metrics has also stood improved in FY25 reflecting from Interest Coverage Ratio of 9.63x and Debt Service Coverage Ratio of 5.14x compared to 6.63x and 1.57x in FY24.

- **Reputed clientele**

The company's customer base comprises highly reputable private and government entities, including Doordarshan, ISRO, DRDO, Adidas, ALIMCO and PVR Limited. Consequently, counter-party credit risk is considered negligible, reinforced by the promoter's long-standing relationships with these clients.

### Key Rating Weaknesses

- **Exposure to technology obsolescence and raw material price fluctuations risks**

The company operates in a highly competitive market characterised by rapid product cycles and continuous innovation, exposing it to significant technology-obsolescence risk. This environment constrains ODL's bargaining power and renders operating margins sensitive to tender outcomes. In addition, a substantial portion of its key raw materials is sourced from China, making the business vulnerable to price volatility and supply-chain disruptions that could adversely affect production costs and operational performance.

- **Moderate working capital requirement**

Operations are moderately working capital intensive, as most of the inventory largely includes raw material as it is majorly imported from China, Taiwan and the company holds buffer stocks to accommodate unexpected order volumes resulted increased inventory period of 79 days as on March 31, 2025 (72 days as on March 31, 2024). Furthermore, it has multiple stock-keeping units and does customisation as well for both product segments. The company has to allow around 60-90 days of credit period to its customers as there are a lot of government customers. However, average fund-based utilisation was moderate at ~67% for the twelve-month ending on October 2025, which indicates adequate cushion. Infomerics expects working capital cycle is to remain intensive through projected period.

**Analytical Approach:** Standalone



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### Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

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

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

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

### **Liquidity – Adequate**

ODL has earned a gross cash accrual of Rs. 21.37 crore in FY25. Further the company is expected to earn a gross cash accrual in the range of ~ Rs. 38 to 53 crore as against its debt repayment obligations in the range of ~ Rs. 1 crore per year during FY26-28. The company's liquidity position is expected to remain adequate in the near to medium term. With minimal debt repayments and a free fixed deposit of Rs. 11 crore, along with an unencumbered cash balance of Rs. 31.84 crore and readily accessible mutual fund of Rs. 30 crore as on September 30, 2025, the company has more than sufficient liquidity to comfortably meet any short-term financial needs. Further, average fund-based utilisation of the company remained moderate at ~67% during the past 12 months ended October 2025 indicating adequate headroom of liquidity cushion.

### **About the Company**

Incorporated in 2006, OSEL Devices Limited (ODL) manufactures and assembles electronic equipment, primarily LED screens and hearing aids. Its manufacturing facility in Greater Noida, Uttar Pradesh, has an annual production capacity of 15,000 sq. ft. for LED displays and 4,00,000 units for hearing aids. The company was listed on the NSE SME platform on September 24th, 2024, raising capital of total Rs. 70.66 crore. In May 2025, ODL acquired an exclusive brand licence to manufacture and distribute Philips-branded phones, tablets and related products. The day-to-day operations are overseen by Managing Director Mr. Rajendra Ravi Shanker Mishra, supported by a board of directors and an experienced management team.



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### Financials (Standalone):

| For the year ended/ As on* | (Rs. crore) |            |            |            |
|----------------------------|-------------|------------|------------|------------|
|                            | 31-03-2024  | 31-03-2025 | 30-09-2024 | 30-09-2025 |
|                            | Audited     | Audited    | Unaudited  | Unaudited  |
| Total Operating Income     | 132.23      | 186.47     | 87.35      | 146.86     |
| EBITDA                     | 22.43       | 33.40      | 13.42      | 24.65      |
| PAT                        | 12.68       | 20.05      | 8.01       | 15.19      |
| Total Debt                 | 25.45       | 49.58      | 44.16      | 100.05     |
| Tangible Net Worth         | 25.34       | 107.95     | 106.11     | 176.33     |
| EBITDA Margin (%)          | 16.96       | 17.91      | 15.37      | 16.79      |
| PAT Margin (%)             | 9.56        | 10.75      | 9.17       | 10.34      |
| Overall Gearing Ratio (x)  | 1.00        | 0.46       | 0.42       | 0.57       |
| Interest Coverage (x)      | 6.63        | 9.63       | 8.36       | 6.74       |

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

### Rating History for last three years:

| Sr. No. | Name of Security/ Facilities | Current Ratings (Year 2025-26) |                                |                  |                   | Rating History for the past 3 years     |                                         |                                         |
|---------|------------------------------|--------------------------------|--------------------------------|------------------|-------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
|         |                              | Type (Long Term/ Short Term)   | Amount outstanding (Rs. Crore) | Rating           | December 01, 2025 | Date(s) & Rating(s) assigned in 2024-25 | Date(s) & Rating(s) assigned in 2023-24 | Date(s) & Rating(s) assigned in 2022-23 |
| 1.      | Cash Credit                  | Long Term                      | 107.70                         | IVR BBB+/ Stable | IVR BBB+/ Stable  | -                                       | -                                       | -                                       |
| 2.      | Proposed Cash Credit         | Long Term                      | 0.30                           | IVR BBB+/ Stable | IVR BBB+/ Stable  | -                                       | -                                       | -                                       |

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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).



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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 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 and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

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### 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 |
|-----------------------------|------|------------------|------------------|---------------|------------------------------|--------------------------|
| Cash Credit 1               | -    | -                | -                | -             | 47.70                        | IVR BBB+/ Stable         |
| Cash Credit 2               | -    | -                | -                | -             | 60.00                        | IVR BBB+/ Stable         |
| Proposed Cash Credit        | -    | -                | -                | -             | 0.30                         | IVR BBB+/ Stable         |

### Annexure 2: Facility wise lender details:

[https://infomericstorage.blob.core.windows.net/uploads/LEN\\_OSEL\\_Devices29\\_Jan26\\_c753f7b98f.pdf](https://infomericstorage.blob.core.windows.net/uploads/LEN_OSEL_Devices29_Jan26_c753f7b98f.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**

**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](http://www.infomerics.com).