



## Press Release

**E Centric Digital Limited**

**August 16, 2024**

### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	11.00	IVR BB+; Negative; ISSUER NOT COOPERATING* (IVR Double B Plus; Negative Outlook; ISSUER NOT COOPERATING*)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Reaffirmed; Outlook Revised to Negative and moved to ISSUER NOT COOPERATING* category	Simple
Short Term Bank Facilities	29.00	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	IVR A4+ (IVR A Four Plus)	Rating Reaffirmed; and moved to ISSUER NOT COOPERATING* category	Simple
<b>Total</b>	<b>40.00</b> <b>(Rupees Forty Crore only)</b>				

*\*Issuer did not cooperate; based on best available information*

**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 revision in the ratings assigned to the bank facilities of E Centric Digital Limited (E Centric) reflects lack of adequate information available and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide email communications dated May 02, 2024, May 06, 2024, June 06, 2024, June 26, 2024, July 08, 2024, July 16, 2024, August 05, 2024 and concurrently over several phone calls. However, despite the repeated requests by



## Press Release

Infomerics, the company's management has not submitted the requested information for monitoring the rating.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has reviewed the rating based on the best available information. Accordingly, the rating for the bank facilities of E Centric aggregating Rs.40.00 crore has been classify under the 'ISSUER NOT COOPERATING' category by Infomerics.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Service Sector Entities](#)

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

[Criteria for assigning outlook](#)

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

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

[Policy on Issuer Not Cooperating](#)

### **About the Company**

Incorporated in July 2014 as Varasiddhi Sai Food Services Private Limited with its registered office in Hyderabad later on name changed to E centric HR Solutions Private Limited on October 12, 2015. E centric HR Solutions Private Limited was then demerged with a change in name to E – Centric Digital Private Limited in September 11, 2020. In Oct 2022, the company changed its constitution to Public Limited company, which is now engaged in providing / building AI solutions and other analytical platforms.

**Financials (Standalone):**

(Rs. crore)

For the year ended / As On*	31-03-2021	31-03-2022
	(Audited)	(Audited)
Total Operating Income	158.80	255.91
EBITDA	8.22	15.10
PAT	4.78	4.11



## Press Release

For the year ended / As On*	31-03-2021	31-03-2022
	(Audited)	(Audited)
Total Debt	19.95	42.75
Adjusted Tangible Networth	6.91	10.42
EBITDA Margin (%)	5.18	5.90
PAT Margin (%)	3.01	1.60
Overall Gearing Ratio (x)	2.89	4.10
Interest Coverage (x)	4.57	3.67

\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA:** None

**Any other information:** Nil

**Rating History for last three years:**

Sl. No.	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					(June 21, 2023)	-	-
1	Cash Credit	Long Term	1.00	IVR BB+; Negative; ISSUER NOT COOPERATING*	IVR BB+; Stable	-	-
2	Bank Guarantee	Short Term	14.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A4+	-	-
3	Proposed Cash Credit	Long Term	10.00	IVR BB+; Negative; ISSUER NOT COOPERATING*	IVR BB+; Stable	-	-
4	Proposed Bank Guarantee	Short Term	15.00	IVR A4+; ISSUER NOT COOPERATING*	IVR A4+	-	-

\*Issuer did not cooperate; based on best available information

### Name and Contact Details of the Rating team:

Name: Amit Bhuwania

Tel: (022) 62396023

Email: [abhuaniania@infomerics.com](mailto:abhuaniania@infomerics.com)



## Press Release

### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) 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 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](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (INR crore)	Rating Assigned/ Outlook
Cash Credit	--	--	--	1.00	IVR BB+; Negative; ISSUER NOT COOPERATING*
Bank Guarantee	--	--	--	14.00	IVR A4+; ISSUER NOT COOPERATING*



## Press Release

Proposed Cash Credit	--	--	--	10.00	IVR BB+; Negative; ISSUER NOT COOPERATING*
Proposed Bank Guarantee	--	--	--	15.00	IVR A4+; ISSUER NOT COOPERATING*

*\*Issuer did not cooperate; based on best available information*

**Annexure 2: Facility wise lender details:** Not applicable

**Annexure 3: Detailed explanation of covenants of the rated instrument/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).