



Press Release

Assam Electronics Development Corporation Limited

August 04, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities (Proposed)	400.00	IVR BB+/ Negative; Issuer Not Cooperating* (IVR Double B Plus with Negative Outlook; Issuer Not Cooperating*)	Revised from IVR BBB+; Stable (IVR Triple B Plus with Stable Outlook) and moved to ISSUER NOT COOPERATING category	Simple
Total	400.00 (Rupees Four hundred crore only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in rating assigned to the bank facilities with negative outlook is because of non-cooperation by the company despite repeated follow ups and lack of adequate information leading to information availability risk for Assam Electronics Development Corporation Limited (AMTRON) and hence uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

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 E-mail communications dated May 04, 2023, June 17, 2023, and July 07, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details required for detailed review of the assigned ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in



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consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating assigned to the bank loan facilities aggregating to Rs.400.00 crore of Assam Electronics Development Corporation Limited (AMTRON) shall be moved to 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating will be noted as 'IVR BB+; Negative; Issuer Not Co-operating' (IVR Double B Plus with Negative outlook; Issuer Not Co-operating); Based on best available information. The negative outlook is assigned due to information availability risk.

Analytical Approach: Standalone

Applicable Criteria:

[Criteria of assigning Rating outlook](#)

[Rating Methodology for Service Sector Companies](#)

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Government Support](#)

[Parent group support](#)

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

[Rating Methodology – State Finance](#)

Liquidity: Information not available

About the Company

Established in 1984, AMTRON is a wholly owned government of Assam entity under the aegis of Department of Industries and Commerce, Government of Assam to establish and develop Electronics and allied industries in the state. AMTRON begin their journey in 1984 by setting up the first sector Black & White and Colour TV assembly unit in the North-East India. It also ventured into Power Electronics & Telecommunication Sector in 1988. AMTRON's foray into IT sector started in 1988 with the establishment of Data Processing 4 and Software Development Center. An IT Training and Consultancy cell also started functioning at the same time. AMTRON is now the nodal agency of the Information Technology Department of the Govt. of Assam for implementing IT Projects in the State including the National e-governance plan of the Govt. of India.

Financials (Standalone):

(Rs. crore)		
For the year ended / As on	31-03-2019	31-03-2020
	Audited	Audited



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For the year ended / As on	31-03-2019	31-03-2020
Total Operating Income	39.04	39.71
EBITDA	2.97	3.22
PAT	1.46	1.52
Total Debt	0.55	2.15
Tangible Net worth	37.22	39.11
EBITDA Margin (%)	7.61	8.11
PAT Margin (%)	3.74	3.83
Overall Gearing Ratio (x)	0.01	0.05

*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 Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23		Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Term Loan (Proposed)	Long Term	400.00	IVR BB+/ Negative; Issuer Not Cooperating*	IVR BBB+/ Stable (July 18, 2022)	IVR BBB+/ Stable (May 23, 2022)	-	-

*Issuer did not cooperate; based on best available information

Name and Contact Details of the Rating Analyst:

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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).



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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 visit 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 (Rs. crore)	Rating Assigned/ Outlook
Long Term Fund Based Limit – Proposed Term Loan	-	-	-	400.00	IVR BB+/ Negative; Issuer Not Cooperating*

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: 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.