

Aishwarya Technologies and Telecom Limited

April 28, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.11	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	6.00	CARE D / CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.50	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated March 03, 2017, placed the rating of Aishwarya Technologies and Telecom Limited (ATTL) under the 'issuer non-cooperating' category as ATTL had failed to provide information for monitoring of the rating. ATTL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated December 26, 2022, January 05, 2023 and January 15, 2023. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings factor in stretched liquidity position with continued delays in debt service obligation.

Analytical approach: Standalone

Outlook: Not applicable

Detailed description of the key rating drivers:

At the time of last rating on February 09, 2022, the following were the rating strengths and weaknesses (updated for the information available from stock exchange):

Key weaknesses

Continued subdued financial performance and stretched liquidity: The total operating income of the company continued to decline during FY22 by about 22% from ₹10.92 in FY21 to ₹8.50 crore. The low operating income led to under-recovery of expenses and the company continued to report operating loss of ₹2.38 crore (₹4.08 crore in FY21) in FY22. The net loss and cash loss in the past years has resulted in stretched liquidity and has led to continued delays in debt servicing.

Small scale of operation: The scale of operation of the company has deteriorated significantly over the years. The network of company has also completely eroded as on March 31, 2022 due to continuous losses incurred in the past.

Key strengths

Experienced promoters: The promoters of ATTL, Mr. G Rama Krishna Reddy, Rama Manohar Reddy and Mrs. G Amulya Reddy have more than two decades of experience in the telecom sector.

Exclusive distributorship from reputed clients: ATTL has exclusive distributorship from Sumitomo Electric Industries, Japan for India, Bangladesh & Sri Lanka for entire range of splicing machines. The company has further appointed re-sellers in various parts of India, Sri Lanka & Bangladesh, for promoting these splicing machines.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)
[Policy on default recognition](#)
[Financial Ratios – Non financial Sector](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Credit Watch](#)
[Short Term Instruments](#)
[Manufacturing Companies](#)
[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Telecommunication	Telecommunication	Telecom - Services	Other Telecom Services

Aishwarya Technologies & Telecom Limited (ATTL) was promoted by Mr. G Rama Manohar Reddy and Mrs. G Amulya Reddy as a partnership firm named Advanced Electronics & Communications System. ATTL was formed by taking over the business of the said partnership firm. ATTL is an ISO 9001:2008 certified company, which manufactures testing & measuring equipment like fiber, data and copper cable fault locators for telephone service providers, defence sector, cable TV operators and railways. The company has its manufacturing facilities situated at Hyderabad and it supplies a wide range of telecom & fiber optic products to Bharat Sanchar Nigam Limited, Tata Tele Services, Bharati Airtel, Mahanagar Telephone Nigam Limited, railways & defence sectors in India.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total operating income	10.92	8.50	3.77
PBILDT	(4.08)	(2.38)	(1.65)
PAT	(4.53)	(2.81)	0.31
Overall gearing (times)	6.19	NM	-
Interest coverage (times)	(6.39)	NM	NM

A: Audited, UA: Unaudited, NM: Not Meaningful; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	7.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	-	December 2014	0.11	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee	-	-	-	-	6.00	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit	-	-	-	-	4.50	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	0.11	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (09-Feb-22)	1)CARE D; ISSUER NOT COOPERATING* (26-Feb-21)
2	Fund-based - LT-Cash Credit	LT	7.00	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (09-Feb-22)	1)CARE D; ISSUER NOT COOPERATING* (26-Feb-21)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST*	6.00	CARE D / CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D / CARE D; ISSUER NOT COOPERATING* (09-Feb-22)	1)CARE D / CARE D; ISSUER NOT COOPERATING* (26-Feb-21)
4	Non-fund-based - ST-Letter of credit	ST	4.50	CARE D; ISSUER NOT COOPERATING*	-	-	1)CARE D; ISSUER NOT COOPERATING* (09-Feb-22)	1)CARE D; ISSUER NOT COOPERATING* (26-Feb-21)

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

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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