

Exicom Tele-Systems Limited

September 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	183.70	CARE BBB; Negative	Assigned
Long-term bank facilities	55.00 (Reduced from 58.00)	CARE BBB; Negative	Reaffirmed
Long-term / Short-term bank facilities	60.00 (Reduced from 70.00)	CARE BBB; Negative / CARE A3	Reaffirmed
Short-term bank facilities	105.00 (Enhanced from 92.00)	CARE A3	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed ratings to bank facilities of Exicom Tele-Systems Limited (ETSL) while maintaining outlook as negative, reflecting CareEdge Ratings' concerns over deterioration in operational and financial performance in FY25 and Q1FY26, stretched liquidity, and weak coverage indicators amidst elevated debt obligations. Losses incurred by the recently acquired Tritium Group and delays in execution of domestic public sector undertakings (PSU) linked projects have further weighed on the consolidated performance of ETSL. While the company raised ₹259.61 crore through a rights issue in July 2025 (net inflow of ~₹155 crore) and promoters infused unsecured loans to support liquidity, sustained recovery in domestic operations and overseas business will be critical for outlook revision.

Ratings continue to factor in the promoters' extensive experience in the power electronics industry, established track record of operations, and longstanding relationship with reputed clients in the telecom and power sectors. The company benefits from a diversified product portfolio, strong in-house R&D capabilities, and steady investments in technology, which support innovation and product customisation. The recently awarded large order under the BharatNet connectivity project also provides revenue visibility, with execution expected to scale up from FY26 onwards. The company's reputed clientele across telecom and infrastructure players provides stability to its revenue stream. Promoters demonstrated ability to support operations through timely capital infusion, including unsecured loans of ₹25 crore in Q1FY26, further lends comfort and has been accordingly factored into the ratings, a sustained turnaround of its business is however critical for the ratings to sustain at the current level and therefore remains a key monitorable.

Ratings remain constrained by the sharp decline in profitability, weak debt coverage indicators, and deterioration in capital structure following debt-funded acquisition of Tritium. Liquidity also remains stretched due to subdued accruals against sizeable repayment obligations. High receivables, exposure to raw material price volatility, and foreign exchange fluctuations further weigh on the credit profile. Delays in execution of key projects in FY25 and Q1FY26 have impacted scale, while losses in the overseas subsidiary continue to pressure consolidated results. Improvement in operational efficiency, better working capital management, and sustainable turnaround in overseas operations will remain key rating sensitivities.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Earlier-than-expected ramp of operations from newly acquired overseas resulting in significant growth in total operating income (TOI) to over ₹1200 crore with profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of above 10% on a sustained basis.
- Significant improvement in liquidity position of the company owing to better cash flow from operations.

Negative factors

- Sustained operating-level losses leading to further weakening debt coverage indicators.
- Material decline in cash accruals, resulting in deterioration of the company's liquidity position in H1FY25.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

- Delay in execution of existing domestic orders or slower-than-expected ramp-up of Tritium operations, exerting pressure on cash flows and liquidity.

Analytical approach: Consolidated

Consolidated approach has been adopted considering common management, operational and financial linkages between the company and its subsidiaries. Entities considered for consolidation are listed under Annexure-6.

Outlook: Negative

The Negative Outlook reflects CareEdge Ratings' expectation of moderation in the overall credit risk profile of Exicom Tele-Systems Limited (ETL) due to the recent acquisition done in FY25, where the performance is expected to be subdued even in FY26. The domestic business continues to exhibit modest operating performance, and if these trends persist, they could strain its liquidity profile due to elevated debt repayments in the medium term and together act as a trigger for a rating downgrade. However, the outlook may be revised to Stable, if the company demonstrates improvement in operational performance, supported by a ramp-up in domestic and overseas businesses, improved profitability, liquidity, and debt coverage indicators.

Detailed description of key rating drivers:

Key strengths

Established track record with extensive experience of promoters in the industry

Incorporated in 1994, ETL has a long-standing track record in the manufacturing of critical power components catering primarily to the telecom sector. The company is led by Anant Nahata, Managing Director, who oversees strategy, product development, business growth, and marketing initiatives, supported by an experienced second line of management. Strengthening the board, ETL recently appointed Manoj Kohli as a Non-Executive Independent Director, bringing with him extensive experience from senior leadership roles in the telecom industry, including his tenure at Bharti Enterprises Limited, where he played a pivotal role in scaling Airtel from two million to over 400 million customers globally. Mahua Acharya has also joined the board, contributing her wide-ranging expertise across sustainable energy and global institutions, having previously served as MD & CEO of Convergence Energy Services Limited, and holding senior positions at organisations such as the World Bank, Global Green Growth Institute, and World Business Council for Sustainable Development.

Reputed clientele and sound order book position

The company has established long-term relationships with reputed customers such as Indus Towers Limited, Skipper Limited, Bondada Engineering, Reliance Projects & Property Management, Reliance BP Mobility Limited, BSNL, and Mahindra & Mahindra Limited. The recent award of a large purchase order worth ₹1,559 crore under the BharatNet Connectivity Project in the critical power segment provides significant revenue visibility in the next three years. In addition to this marquee project, ETL has ongoing running orders from its established clientele, including Reliance Projects & Property Management, Reliance BP Mobility Limited, Indus Towers Limited, BSNL, and Mahindra & Mahindra Limited. These repeat orders from blue-chip clients underscore the company's strong market position and provide stability to its revenue profile.

Strong R&D capabilities

ETL's in-house R&D Centre is recognised by the Department of Science and Technology (GoI) and plays a central role in product development and innovation. The group has leveraged this capability to design products for the fast-growing electric vehicle (EV) ecosystem, including chargers supplied to leading players. In FY25, the company increased its R&D spend to ₹27.67 crore from ₹17.42 crore in the previous year, underlining its commitment to innovation. With the acquisition of Tritium, ETL has gained access to advanced technology, which is expected to further augment its R&D capabilities, support new product introductions, and aid in expanding into new geographies and adjacent product categories.

Diversified product portfolio with presence across critical power and EV charging segments

ETL has gradually diversified beyond its traditional telecom-focused critical power solutions into energy storage and electric vehicle (EV) charging solutions, with EV chargers contributing a growing share of revenues in recent years. This diversification reduces reliance on a single business line and positions the company to capture opportunities in the rapidly expanding EV infrastructure market. The dual presence across critical power and EV segments not only provides resilience against sector-specific downturns but also broadens its customer reach across PSU projects, private players, and emerging mobility markets. In the medium term, diversification is expected to support revenue growth and margin stability.

Key weaknesses

Significant deterioration in operational performance in FY25 and Q1FY26

In FY25, ETSL reported revenue of ₹874.75 crore and earnings before interest, taxation, depreciation, and amortisation (EBITDA) loss of ₹30 crore (PBILDT margin: -3.43%), against ₹1,026.47 crore revenue and EBITDA of ₹119.73 crore (PBILDT margin: 11.66%) in FY24. The decline was primarily considering delayed execution of telecom projects in the election period and muted demand in the EV segment, as original equipment manufacturers (OEMs) deferred vehicle launches in H1FY25. However, sales improved from October 2024 onwards, with rising EV adoption driving higher charger sales, which was reflected in stronger revenue traction in Q3 and Q4 of FY25. At the subsidiary level, Tritium posted revenue of ~₹100 crore in FY25 but incurred an EBITDA loss of ₹80 crore owing to a slower-than-expected turnaround of operations and higher fixed overheads. Consolidated performance further moderated in Q1FY26, as revenue and profitability were impacted by delays in BharatNet and other key projects due to approval issues and monsoon disruptions, alongside deferment of certain EV charger orders from Q1 to Q2. Overall margins were adversely affected by the consolidation of Tritium's losses and underutilisation of capacities. CareEdge Ratings notes that the timely ramp-up of domestic and overseas operations, and adequate funding support, will remain a key monitorable for the company's credit profile.

Deterioration in financial risk profile in FY25

The group's overall gearing deteriorated sharply to 1.62x in FY25 from 0.07x in FY24, primarily considering fresh long-term borrowings from banks and infusion of promoter funds towards the acquisition of Tritium Group's assets. As on March 31, 2025, the debt profile comprised working capital borrowings of ₹95.32 crore, finance lease liabilities of ₹251.32 crore (up from ₹16.12 crore in FY24, largely relating to office, premises, and factory leases of Tritium Group), non-convertible debentures (NCDs) of ₹7.10 crore, acceptances of ₹4.67 crore, term loans of ₹200.07 crore, and loans from body corporates of ₹155 crore. In Q1FY26, promoters further infused unsecured loans of ₹25 crore, while proceeds from the July 2025 rights issue are expected to provide additional financial flexibility. However, debt coverage indicators remained weak with PBILDT interest coverage ratio turning negative at -0.69x in FY25 (PY: 6.23x) and total debt to gross cash accruals (TD/GCA) also deteriorating to -12.81x (PY: 0.46x), reflecting losses and subdued accruals in the year. The expected deterioration from the recent acquisition in FY25 is also likely to weigh on the consolidated profile going forward, further tempering the overall financial picture. Sustained improvement in operating performance and cash accruals will be critical for strengthening the financial risk profile going forward.

High level of receivables

The group's receivables continue to remain elevated, given its significant exposure to PSU clients in the critical power segment, where payment terms typically range from 90–120 days. In comparison, receivable cycles from private sector customers in the same segment are shorter, at ~45 days, while the EV charger business generally operates on credit terms of 60–75 days. As on March 31, 2025, the collection period stood at 117 days, higher than 97 days as on March 31, 2024. The elongation was primarily considering lower scale of operations, and a customer mix increasingly skewed towards PSU players, where payments are inherently delayed.

Profitability vulnerable to raw material price volatility and forex fluctuation

The group remains exposed to foreign exchange fluctuation risk, as it imports lithium-ion cells primarily from China and supplies finished products in domestic and overseas markets such as Singapore and Malaysia. This naturally exposes margins to currency volatility between procurement and sales. In FY25, the group reported a foreign exchange gain of ₹6.59 crore, compared to a loss of ₹3.16 crore in FY24, underscoring the volatility in earnings from such exposures. Lack of a formal hedging mechanism further heightens this risk and keeps profitability vulnerable to sharp currency movements. To mitigate import dependence and strengthen supply chain resilience, the group has set up an assembly line for lithium-ion batteries at one of its Indian manufacturing facilities. While this does not eliminate the need to import cells, the in-house assembly of batteries provides greater flexibility, cost optimisation, and value addition. Over time, this initiative is expected to reduce exposure to forex fluctuations on a per-unit basis, enhance margins, and improve overall competitiveness in both domestic and export market.

Liquidity: Stretched

The company's liquidity profile remains stretched, with cash losses reported in FY25 and in Q1FY26, which have constrained internal accrual generation. Against scheduled debt obligations of ~₹43.80 crore, ETSL is expected to rely on its available liquidity in the form of fixed deposits, cash, and bank balances amounting to ₹170.92 crore including margin money and other earmarked objective as on August 28, 2025. The promoters have infused ₹25 crore in Q1FY26 to support global operations, providing timely funding support. However, continued and timely infusion of promoter support remains a key monitorable given the subdued operating performance. Looking ahead, execution of the recently awarded ₹1,559 crore BharatNet project under the domestic critical power segment is expected to provide meaningful revenue visibility from FY26 (the deliveries for which has already started from July'25), aiding working capital inflows. A turnaround in overseas operations under the new management will be crucial to

restore profitability, strengthen cash accruals, and ease liquidity pressures. Sustained improvement in cash flows and judicious working capital management will remain critical from a credit perspective.

Environment, social, and governance (ESG) risks

Environmental: The company has installed solar panels 250 KWH for power generation, used battery operated rickshaws for inter-office movements and used EEE taxi services (EV Vehicles) to contribute to CO2 abatement.

Social: The company conducts environmental, health, and safety awareness programs to educate its stakeholders and provides regular training sessions to its employees to enhance their knowledge and skills in environment, health, and safety practices.

Governance: The strength of the Board is seven Directors, of which three are Independent Directors (including two Women Directors) and four are Non-Executive and Non-Independent Directors as on June 30, 2025.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Infrastructure Sector Ratings](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Telecommunication	Telecommunication	Telecom - equipment & accessories	Telecom - equipment & accessories

ETL was initially incorporated in 1994 as Himachal Exicom Communications Limited to manufacture telecom power equipment such as converters, battery modules, controllers, rectifiers, among others as a joint venture between Himachal Futuristic Communication Limited and Exicom Australia. However, post the liquidation of Exicom Australia and its subsequent exit, the company's name changed to its current name. ETL is engaged in manufacturing critical power components such as rectifiers, AC to DC converters, among others and offers energy storage solutions. The company forayed into the EV chargers business, 2019 onwards. This contributed ~34% of the TOI in FY25 (PY: 24%). In the year 2024, Exicom Power Solutions B.V., a unit of Exicom Tele-Systems, acquired 100% of assets Tritium Power Solutions, expanding its global EVSE business acquired.

Brief Financials (₹ crore) (Consolidated)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26(UA)
Total operating income	1026.47	874.76	205.12
PBILDT	119.73	-30.02	-39.23
PAT	63.92	-110.03	-83.21
Overall gearing (times)	0.07	1.62	NM
Interest coverage (times)	6.23	NM	NM

A: Audited UA: Unaudited; NM: Not meaningful; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	55.00	CARE BBB; Negative
Fund-based - LT-Term Loan		-	-	28-01-2030	183.70	CARE BBB; Negative
Fund-based - ST-Working Capital Demand loan		-	-	-	33.00	CARE A3
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	60.00	CARE BBB; Negative / CARE A3
Non-fund-based - ST-Letter of credit		-	-	-	72.00	CARE A3

Annexure-2: Rating history for 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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (03-Apr-24)	1)CARE BBB; Stable (04-Sep-23)	-
2	Fund-based - LT-Cash Credit	LT	55.00	CARE BBB; Negative	-	1)CARE BBB; Negative (14-Feb-25) 2)CARE BBB+ (RWD) (20-Aug-24)	1)CARE BBB; Stable (04-Sep-23)	-

						3)CARE BBB+; Positive (05-Aug-24) 4)CARE BBB+; Stable (17-Apr-24) 5)CARE BBB+; Stable (03-Apr-24)		
3	Non-fund-based - ST-Letter of credit	ST	72.00	CARE A3	-	1)CARE A3 (14-Feb-25) 2)CARE A2 (RWD) (20-Aug-24) 3)CARE A2 (05-Aug-24) 4)CARE A2 (17-Apr-24) 5)CARE A2 (03-Apr-24)	1)CARE A3+ (04-Sep-23)	-
4	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	60.00	CARE BBB; Negative / CARE A3	-	1)CARE BBB; Negative / CARE A3 (14-Feb-25) 2)CARE BBB+ / CARE A2 (RWD) (20-Aug-24) 3)CARE BBB+; Positive / CARE A2 (05-Aug-24) 4)CARE BBB+; Stable / CARE A2 (17-Apr-24) 5)CARE A2 (03-Apr-24)	1)CARE A3+ (04-Sep-23)	-

5	Fund-based - LT-Proposed fund based limits	LT	-	-	-	1)Withdrawn (03-Apr-24)	1)CARE BBB; Stable (04-Sep-23)	-
6	Fund-based - ST-Working Capital Demand loan	ST	33.00	CARE A3	-	1)CARE A3 (14-Feb-25) 2)CARE A2 (RWD) (20-Aug-24) 3)CARE A2 (05-Aug-24)	-	-
7	Fund-based - LT-Term Loan	LT	183.70	CARE BBB; Negative				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of 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	Fund-based - ST-Working Capital Demand loan	Simple
4	Non-fund-based - LT/ ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

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

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1.	Exicom Tele- Systems (Singapore) Pte Ltd	Full	Subsidiary
2.	Horizon Power Solutions LLC FZ (UAE)	Full	Subsidiary
3.	Exicom Power Solutions BV (Netherlands)	Full	Subsidiary
4.	Horizon Tele- Systems SDN BHD (Malaysia)	Full	Subsidiary

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

Contact Us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Ravleen Sethi Director CARE Ratings Limited Phone: 91-120-4452016 E-mail: ravleen.sethi@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Anant Agarwal Associate Director CARE Ratings Limited Phone: 91-120-4452000 E-mail: Anant.Agarwal@careedge.in
	Utkarsh Sogani Analyst CARE Ratings Limited E-mail: Utkarsh.sogani@careedge.in

About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2025, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CARE Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE Ratings.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**