

August 06, 2025

## Amber Enterprises India Limited: Update on Material Event

### Summary of rating(s) outstanding

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating outstanding
Long-term/short-term - Fund based/non-fund based - Working capital	665.00	665.00	[ICRA]AA- (Stable)/[ICRA]A1+
Long term-Fund Based-Term Loan	100.00	100.00	[ICRA]AA-(Stable)
<b>Total</b>	<b>765.00</b>	<b>765.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

#### Material event

On July 28, 2025, Amber Enterprises India Limited (AEIL), the flagship company of the Amber Group, announced that ILJIN Electronics (India) Private Limited (ILJIN), a material subsidiary of AEIL, entered into a share purchase agreement (SPA) and shareholders agreement (definitive agreements) with the controlling shareholders of Unitronics (1989) (R"G) Ltd., (Unitronics) for the acquisition of a 40.24% stake of Unitronics directly or indirectly through its subsidiary. Founded in 1989, Unitronics is based out of Israel, and is a publicly traded company in the Tel Aviv Stock Exchange since 2004. In CY2024, Unitronics reported revenues of approximately Rs. 434 crore, with an operating profit margin (OPM) of around 30%, and profit after tax (PAT) of approximately of Rs. 99 crore. Unitronics had reported total debt of Rs. 12 crore as of December 31, 2024.

#### Impact of the material event

Amber Group is a backward integrated and diversified business-to-business (B2B) solution provider across three segments viz., consumer durables, electronics, and railway subsystems and defence. The proposed acquisition of Unitronics is aligned with the Group's electronic division's strategy to expand into industrial applications, leveraging backward integration capabilities to localise manufacturing. This move is expected to enhance competitiveness in the Indian market and aligns with the growing demand for industry solutions and real time data-driven technologies and provide access to the global markets like the US and Europe.

The Group's cash outflow is expected to be approximately Rs. 665 crore through its key subsidiary, ILJIN, in the near term to fund its recent acquisitions, including Unitronics (acquisition size Rs. 403 crore) and Power-One Micro Systems Private Limited (acquisition of which was announced in June 2025 for Rs. 262 crore). AEIL's board has approved an enabling resolution to raise up to Rs. 2,500 crore through qualified institutional buyers (QIB) to support its strategic initiatives. The proceeds from this fund raise are intended to be used for acquisition-related payments, planned capital expenditure, and debt reduction.

In the interim, ICRA understands that the near-term acquisition costs will be met from AEIL's existing cash balances and liquid investments. As of June 2025, AEIL's liquidity position was adequate, with over Rs. 750 crore in free cash and liquid investments, along with an additional Rs. 230 crore of undrawn fund-based working capital limits—sufficient to cover the proposed outflows. However, ICRA will continue to monitor developments related to the QIB fund raising program closely, as its successful execution is key for maintaining continued adequate liquidity post the acquisition and leverage levels, and supporting its planned capital investments.

While the business profile of AEIL is expected to strengthen following these acquisitions as the company would gain enhanced capabilities and achieve a more diversified customer and geographical footprint, these actions also mark a change in the company's strategic choices that reflect a lack of aversion to growing inorganically. The impact of these developments is seen

to be credit neutral, given the intent to fund the acquisition prudently, including by way of raising equity capital through QIBs. In case the company's financial policy changes in a way that suggests a higher tolerance for financial leverage, it could weigh on the ratings and therefore remains monitorable.

Please refer to the following link for the previous detailed rationale that captures key rating drivers and their description, liquidity position and rating sensitivities: [Click here](#)

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of AEIL. As on date, the company has ten subsidiaries, which are all enlisted in Annexure-II.

## About the company

Incorporated in 1990 and headquartered in Gurugram (Haryana), Amber Enterprises India Limited is India's largest contract manufacturer of air conditioners. It primarily manufactures and assembles room air conditioners (RACs) and key functional and reliable RAC components. At present, the company has 23 manufacturing plants across eight states and serves all the major RAC brands in India, such as Voltas, Blue Star, LG, and Daikin, among others. The plant network has expanded to 30 on a consolidated basis, as on March 31, 2025.

AEIL focused on backward integration and forayed into the manufacturing of induction motor and printed circuit board assembly (PCBA), with the acquisition of PICL India Private Limited in 2013, Ever Electronics Private Limited and ILJIN Electronics Private Limited in FY2017. In FY2020, AEIL diversified into the roof-mounted package unit ACs for mobility applications by acquiring Sidwal Refrigeration Industries Limited, which caters to the heating, venting and air conditioners (HVAC) requirements of the railways, metro rail, bus, and defence sectors. Further, in FY2022, it acquired a majority stake in Pravartaka Tooling Service Private Limited (manufacturer of injection moulding tools and components for other industries, viz., refrigeration and automobiles). AEIL has further increased its stake recently in its subsidiaries i.e., IL JIN Electronics and Ever Electronics. In February 2024, the company acquired a 60% stake in Ascent Circuits Private Limited for a total consideration of Rs. 311 crore.

## Key financial indicators (audited)

AEIL Consolidated	FY2024	FY2025	Q1 FY2026*
Operating income	6,735.3	9,973.9	3,449.1
PAT	141.8	281.1	112.9
OPBDIT/OI	7.5%	7.9%	7.4%
PAT/OI	2.1%	2.8%	3.3%
Total outside liabilities/Tangible net worth (times)	2.1	2.6	-
Total debt/OPBDIT (times)	3.0	2.6	-
Interest coverage (times)	3.0	3.8	4.1

Source: Company, ICRA Research; \* Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. Crore, PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Current rating (FY2026)				Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Date & rating in FY2026		Date & rating in FY2025	Date & rating in FY2024		Date & rating in FY2023		
			August 6, 2025	April 10, 2025	Aug 6, 2024	Feb 20, 2024	Nov 30, 2023	Nov 14, 2022	Aug 19, 2022	
1	Fund based/ Non fund based working capital	Long-term/ short-term	665.00	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+
2	Term Loan	Long-term	100.00	[ICRA]AA-(Stable)	[ICRA]AA-(Stable)	--	--	--	--	--
3	Unallocated limits	Long-term/ short-term	--	--	--	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+	[ICRA]AA-(Stable)/ [ICRA]A1+
4	Issuer rating	Long-term	--	--	--	--	--	--	--	[ICRA]AA-(Stable); Reaffirmed and Withdrawn

## Complexity level of the rated instrument

Instrument	Complexity indicator
Fund based/ Non fund based working capital	Simple
Term Loan	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund based/ Non Fund based Working Capital	NA	NA	NA	665.00	[ICRA]AA- (Stable)/ [ICRA]A1+
NA	Long Term-Fund Based-Term Loan	Jan-25	NA	Dec-30	100.00	[ICRA]AA- (Stable)/

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name	Ownership	Consolidation Approach
Amber Enterprises India Limited	Parent entity	Full Consolidation
PICL (India) Private Limited	100.00%	Full Consolidation
IL JIN Electronics (India) Private Limited	90.22%	Full Consolidation
Ever Electronics Private Limited	90.22%	Full Consolidation
Appserve Appliance Private Limited	100.00%	Full Consolidation
Sidwal Refrigeration Industries Private Limited	100.00%	Full Consolidation
AmberPR Technoplast India Private Limited	100.00%	Full Consolidation
Pravartaka Tooling Services Private Limited	60.00%	Full Consolidation
Amber Enterprises USA Inc	100.00%	Full Consolidation
Ascent Circuits Private Limited	60.00%	Full Consolidation
AT Railway Sub Systems Private Limited	100.00%	Full Consolidation

Source: Company

## ANALYST CONTACTS

**Jitin Makkar**

+91 124 4545368

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

**Kinjal Shah**

+91 22 6114 3442

[kinjal.shah@icraindia.com](mailto:kinjal.shah@icraindia.com)

**Deepak Jotwani**

+91 124 4545870

[deepak.jotwani@icraindia.com](mailto:deepak.jotwani@icraindia.com)

**Uday Kumar**

0124-4545867

[uday.kumar@icraindia.com](mailto:uday.kumar@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

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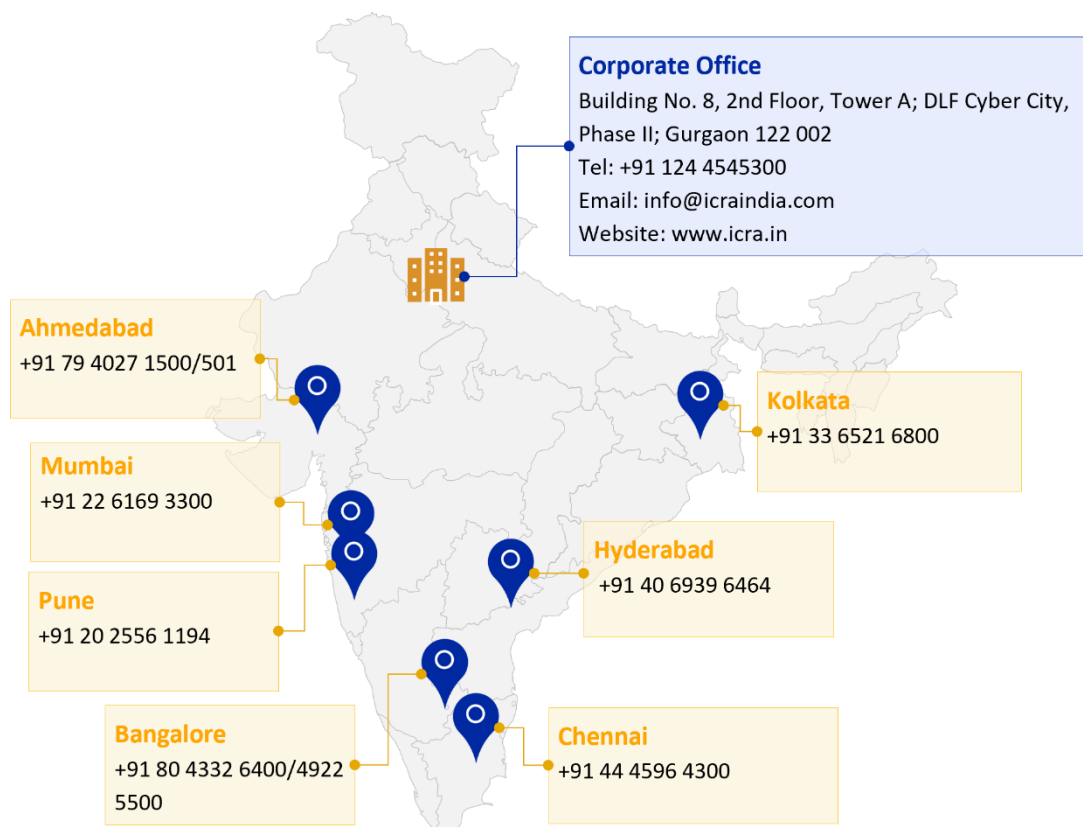


### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001  
Tel: +91 11 23357940-45



### Branches



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