February 16, 2026

Ascent Circuits Private Limited: [ICRA]AA-(Stable)/ [ICRA]A1+; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-Term/Short-term- Fund based - Proposed working capital	103.00	[ICRA]AA- (Stable)/ [ICRA]A1+; assigned
Long-Term-fund-based - Term loan	197.00	[ICRA]AA- (Stable); assigned
Total	**300.00**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has taken a consolidated view of Ascent Circuits Private Limited (Ascent) and its parent IL JIN Electronics (India) Private Limited (IL JIN) (together referred to as IL JIN/the Group) while arriving at the ratings for Ascent, owing to their common promoter group and strong operational and financial linkages between the entities.

The ratings assigned to IL JIN factor in its established position in the domestic electronics manufacturing services (EMS) industry, supported by over two decades of operational track record. The Group's revenue is supported by its diversified manufacturing base, with printed circuit board (PCB) assembly contributing 50-55%, box-unit production accounting for 25-30% and bare-PCB manufacturing providing the remaining 18-20% to the overall revenue in FY2025. Its end-user industry profile is diversified across consumer durables, automotive, smart watches, telecom and other industrial applications, supporting revenue stability. ICRA also derives comfort from the strong operational and financial linkages with its parent, Amber Enterprises India Limited (AEIL; rated [ICRA]AA- (Stable)/[ICRA]A1+), which holds a 90.2% equity stake in IL JIN. AEIL provides managerial oversight, financial flexibility, corporate guarantees and need-based funding support to the Group. ICRA expects AEIL to continue extending timely support, as required.

ICRA notes the Group's ongoing efforts to expand its presence across the EMS value chain, supported by a series of strategic acquisitions undertaken in recent years. The Group acquired a 60% stake in Ascent Circuits Private Limited (Ascent) in FY2024 and an 80% stake in Shogini Technoarts Private Limited in November 2025 to strengthen its capabilities in bare-PCB manufacturing. Further, the acquisitions of Power-One Micro Systems Private Limited in June 2025, engaged in the manufacturing of clean-energy solutions such as solar inverters and EV chargers, and Unitronics (1989) (R"G) Ltd in July 2025, operating in the industrial automation space, have enabled the Group to diversify into adjacent, technology-driven verticals. To fund these initiatives and future expansion plans, IL JIN raised sizeable equity capital of Rs. 1,750 crore over September-November 2025.

ICRA also factors in the Group's sizeable capex programme of around Rs. 2,500 crore over FY2026-FY2028 for expanding its PCB manufacturing capacities in India. These include a multi-layer PCB manufacturing facility at Hosur, Karnataka (under its subsidiary Ascent), and a facility for manufacturing high-density interconnector (HDI), flex, and semiconductor-substrate PCBs at Jewar, Uttar Pradesh [under Ascent K-Circuit Private Limited (Ascent K-Circuit), a joint venture with Korean Circuit Co. Ltd]. The proposed investments are expected to be funded through a mix of external borrowings, equity infusion and internal cash flows, which may result in elevated debt levels over the near to medium term. Nonetheless, IL JIN's capital structure and coverage metrics are expected to gradually improve over the medium term, supported by a steady improvement in earnings. This improvement will be driven by scale expansion, increasing contribution from margin-accretive segments and benefits from State and Central Government incentives and subsidies linked to ongoing capex programmes. This capex programme, once completed, is expected to further strengthen the Group's presence in PCB manufacturing and drive healthy growth in revenue and earnings for the EMS business.

However, the ratings are constrained by the sizeable capital commitments undertaken by the Group towards its ongoing PCB capacity expansion, exposing the company to execution risks. Timely completion of the capex programme and the subsequent ramp-up of capacities will remain critical, as any delay could adversely impact the Group's scale, profitability and credit metrics. The ratings also factor in the high import dependence, which exposes IL JIN to forex volatility and supply-chain risks. However, these risks are partially mitigated through hedging mechanisms and the ability to pass on raw material price increases with a lag. The Group's operations remain working-capital intensive, driven by import-led inventory requirements and higher receivable cycles. Furthermore, the EMS industry is characterised by intense competition due to low entry barriers and the risk of technological obsolescence. Nonetheless, IL JIN's increasing presence in value-added, backward-integrated businesses, coupled with customer stickiness in these segments, provides some cushion to margins.

The Stable outlook on the rating reflects ICRA's expectations that IL JIN's credit profile will remain healthy, supported by close operational and financial linkages with its parent.

Key rating drivers and their description

Credit strengths

Established operational track record in the industry – IL JIN, incorporated in 2001, has an established track record of over two decades in the PCB assembly segment, primarily catering to the consumer durables industry. Over the years, the Group has expanded its presence across the EMS value chain, including box-build operations. Further, following its acquisition by AEIL, the Group has diversified into PCB manufacturing, solar inverters, and industrial automation through inorganic initiatives, enabling AEIL to strengthen backward integration within its EMS portfolio.

Strong operational and financial support from the parent – IL JIN, a material subsidiary of AEIL, benefits from strong operational and financial linkages with its parent. The Group leverages AEIL's established presence in the consumer durables segment through access to AEIL's clientele and receives financial support, including advances and corporate guarantees, from the parent. AEIL initially acquired a 70% stake in IL JIN in 2017 and has since increased its ownership to 90.22% in FY2025 through a combination of debenture conversion and secondary share acquisitions, further strengthening its control. Moreover, this close integration is underpinned by common board representation, demonstrating strong governance linkages and strategic alignment between IL JIN and its parent.

Diversified end-user industry – The IL JIN Group has a diversified product portfolio comprising PCB assembly, box-build units and PCB manufacturing, catering to a wide range of end-user industries. Its revenue profile reflects healthy diversification, with 45-50% derived from the consumer durables segment, 15-18% each from smart watches and automobiles, around 11% from telecom, and the balance from defence, energy, and industrial applications. ICRA notes that the Group continues to strengthen its diversification through targeted acquisitions in areas such as PCB manufacturing, solar inverters, and industrial automation, which is expected to broaden its sectoral presence.

Comfortable financial risk profile – IL JIN has demonstrated healthy revenue growth, recording a CAGR of 42% over the past five years between FY2021 and FY2025, supported by increasing penetration across the consumer durables, telecom, and automotive electronics segments and inorganic growth. While operating margins were modest in the past, they improved to 7.2% in FY2025 from 4.7% in FY2024, aided by the acquisition of Ascent, which is engaged in margin-accretive PCB manufacturing. Margins are expected to further improve to about 9-11%, supported by recent acquisitions in margin-accretive segments. The financial risk profile remains comfortable, with consolidated net worth increasing to Rs. 333 crore as on March 31, 2025, from Rs. 68 crore in March 2024, driven by the conversion of debentures issued to AEIL into equity and secondary share purchases. The capital structure is expected to strengthen further following the Rs. 1,750 crore fund-raise in FY2026, with net worth projected at Rs. 2,100-2,200 crore. However, consolidated leverage is likely to increase in the near to medium term owing to capacity expansion at the Hosur plant and investments under Ascent K-Circuit, funded through a mix of debt and equity.

Credit challenges

Working capital intensive nature of operations – The Group's operations are working capital intensive, driven by high inventory levels and extended receivable cycles. The Group typically extends a credit period of 60-90 days to its customers, while inventory days remain elevated at 60-70 days, given the need to maintain higher stock levels owing to its import-driven raw material procurement. Nonetheless, the working capital requirements are partially supported by credit extended by suppliers.

High import dependence exposes profitability to forex fluctuation risks and volatility in raw material prices – A significant portion of IL JIN's raw material requirements, particularly gold, copper-clad laminates, and specialised chemicals, is imported from China, South Korea, and other countries, owing to the limited domestic availability of these materials in adequate quantities. This high import dependence exposes the company to forex fluctuation risks and volatility in global raw material prices. However, the risk is partially mitigated through the company's hedging mechanisms, while increases in raw material prices are largely passed on to customers with a lag.

Intense competition in PCB assembly business – The Group derives 50-55% of its consolidated revenues from PCB assembly, followed by 20-25% from box-build operations and 18-20% from PCB manufacturing. The relatively lower value-added PCB assembly segment continues to dominate the revenue profile of the IL JIN Group. The assembly business remains exposed to intense competition due to low entry barriers, which restrict pricing power and constrain margin expansion. Nonetheless, ICRA notes that the Group has been actively diversifying into the margin-accretive PCB manufacturing segment, supported by acquisitions focused on PCB manufacturing and ongoing capacity expansion in this vertical. These initiatives are expected to improve the business mix, enhance scale, and support margin improvement over the medium term.

Liquidity position: Adequate

The Group's liquidity profile is expected to remain adequate, supported by steady operating cash flows, consolidated free cash and bank balances of around Rs. 450 crore, and working-capital limits of Rs. 468 crore, with an average utilisation of 30-40% over the six months ended January 2026. The Group has sizeable capex commitments of Rs. 1,570 crore in FY2026 (including Rs. 1,300 crore towards acquisitions until January 2026) and around Rs. 1,200 crore in FY2027, primarily towards capacity expansion at the Hosur plant and the new Ascent K-Circuit facility. To support its expansion initiatives, the company has already raised Rs. 1,750 crore through equity in November 2025, while the balance capex is expected to be funded through a mix of additional debt and internal cash flows. Repayment obligations are expected to be Rs. 16-18 crore in FY2026 and Rs. 38-40 crore in FY2027 and are expected to be comfortably met through operational cash flows and available liquidity.

Rating sensitivities

Positive factors – The long-term rating could be upgraded if the company reports strong growth in revenues and earnings alongside improvement in credit metrics. The rating could also be upgraded if there is an improvement in the parent company's credit profile.

Negative factors – Pressure on the company's ratings could arise if there is a material deterioration in its earnings or any material delay in the scale-up of operations of the planned facility, which weakens its credit metrics. The ratings could also be downgraded if there is a deterioration in the parent company's credit profile or a weakening of IL JIN's linkages with its parent.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of IL JIN as on March 31, 2025. As on December 31, 2025, the company had six subsidiaries and one joint venture which are listed in Annexure-II.

About the company

Ascent, incorporated in 1999 and founded by Mr. P. Manjunath and Mr. C. Thomas, is engaged in the manufacturing of single-sided, double-sided, multilayered, and RF printed circuit boards (PCBs). The company's product portfolio consists of higher-value offerings, including double-layer and multi-layer PCBs.

IL JIN acquired a 60% equity stake in Ascent for a total consideration of Rs. 311 crore. The acquisition is strategically aligned with IL JIN's objective of backward integration into PCB manufacturing.

Incorporated in 2001, IL JIN is engaged in the assembly of printed circuit board assemblies (PCBAs) and the manufacture of box-build units. The company caters to a wide range of applications, including air conditioners, washing machines, microwave ovens, automotive electronics, and energy meters, in addition to producing box units for smart watches, TWS devices and set-top boxes. IL JIN operates manufacturing facilities at Chennai and Greater Noida.

Amber Enterprises India Limited (AEIL) initially acquired a 70% stake in IL JIN for Rs. 55 crore and subsequently increased its shareholding to 90.2% in FY2025 through a combination of debenture conversion and secondary share purchases. Under AEIL's ownership, IL JIN has expanded its presence across the EMS value chain, including bare-PCB manufacturing and other technology-driven verticals, supported by targeted inorganic growth initiatives.

Key financial indicators (audited)

IL JIN - Consolidated	FY2024	FY2025
Operating income	913.4	1,782.0
PAT	8.5	61.4
OPBDIT/OI	4.7%	7.2%
PAT/OI	0.9%	3.4%
Total outside liabilities/Tangible net worth (times)	10.6	2.4
Total debt/OPBDIT (times)	10.3	1.7
Interest coverage (times)	2.6	5.7

Source: Company, ICRA Research; 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

	Current (FY2026)				Chronology of rating history for the past 3 years					
			FY2026		FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based - Proposed working capital	Long-Term/Short-term	103.00	Feb 16, 2026	**[ICRA]AA-(Stable)/ [ICRA]A1+**	-	-	-	-	-	-
Fund based - Term loan	Long-Term	197.00	Feb 16, 2026	**[ICRA]AA-(Stable)**	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term – Fund based – Term loan	Simple
Long term/Short term– Fund based – Proposed Working capital facility	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	Long Term – Fund based – Term loan*	NA	NA	NA	197.00	[ICRA]AA- (Stable)
NA	Long term/Short term– Fund based - Proposed working capital facility	NA	NA	NA	103.00	[ICRA]AA- (Stable)/ [ICRA]A1+

*Source: Company; *Proposed*

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

Annexure II: List of entities considered for consolidated analysis

Company name	IL JIN's ownership	Consolidation approach
IL JIN Electronics (India) Private Limited	(parent entity)	-
Ascent Circuits Private Limited	60% (rated entity)	Full consolidation
Ascent-K Circuits Private Limited	70%	Full consolidation
IL JIN Holding Ltd	100%	Full consolidation
Power-One Micro Systems Private Limited	60%	Full consolidation
Shogini Technoarts Pvt Ltd	80%	Full consolidation
Unitronics (1989) (R"G) Ltd	40.2%	Full consolidation
Joint venture		
Stellek Technologies Private Limited	50%	Equity method

Source: Q3 results FY2026

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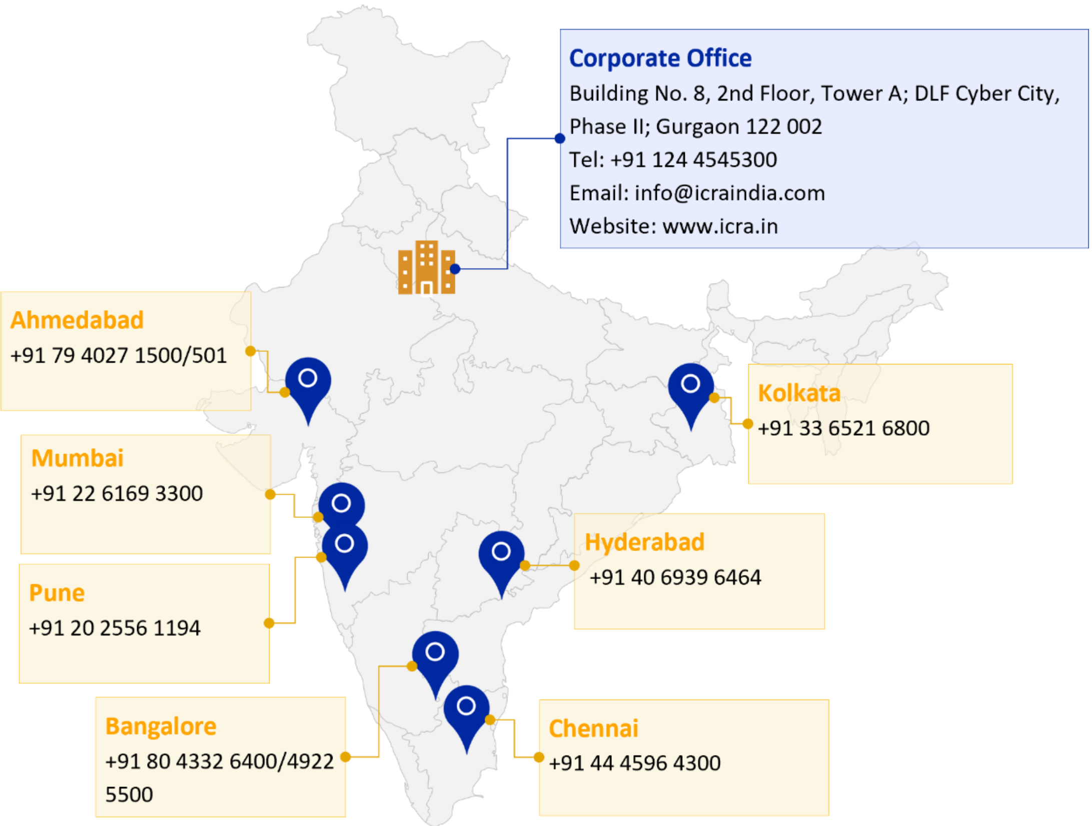

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