June 29, 2026

Optiemus Infracom Limited: Ratings upgraded to [ICRA]BBB (Stable)/ [ICRA]A3+

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term/ Short term – Non-fund limits – Proposed	50.00	50.00	[ICRA]BBB (Stable)/ [ICRA]A3+; upgraded from [ICRA] BBB- (Stable)/ [ICRA] A3
Total	**50.00**	**50.00**	

**Instrument details are provided in Annexure II*

Rationale

While assigning the ratings, ICRA has taken a consolidated rating view of Optiemus Infracom Limited (OIL) as well as its wholly owned subsidiaries, Optiemus Electronics Limited (OEL) and GDN Enterprises Limited (GDN), which share significant operational, managerial and financial linkages and are engaged in the same line of business. Further, ICRA has considered the consolidated financials of OIL, including the newly formed joint venture (JV), Bharat Innovative Glass Technologies Private Limited (BIGTECH), a 70% subsidiary of OIL, while the balance 30% is held by Corning International Corporation, Inc (Corning)[1]. The company has also extended the corporate guarantee to BIGTECH's entire sanctioned debt facility. BIGTECH is setting up a cover glass (for electronic devices including smartphones) manufacturing facility in Tamil Nadu.

The ratings upgrade reflects the strengthening of the Optiemus Group's credit profile, driven primarily by the expected commencement of BIGTECH's operations in FY2027. OIL is setting up a facility for manufacturing high quality cover glass for smartphones and electronic devices, aligning with strong growth prospects in electronics manufacturing services (EMS). BIGTECH is being set up in partnership with Corning, a global leader in specialty glass, marking a strategic transition for the group from assembly-led EMS operations to a more technology-intensive and higher value-added component manufacturing segment. This positions the group in a niche segment characterised by elevated entry barriers, limited domestic competition and strong demand linkages with global mobile original equipment manufacturers (OEMs).

With financial closure achieved and a substantial portion of the equity already infused, a significant part of the project's capital expenditure (capex) had been incurred as of March 2026, thereby reducing the overall project-related risk. Consequently, with expected commencement of operations from H2 FY2027 the same shall drive OIL's earnings profile. The business is likely to operate at relatively higher operating margins, supported by the specialised nature of the product, strong brand association with Corning and the critical nature of the component for OEMs. This is expected to lead to margin accretion at the consolidated level, thereby improving profitability and coverage indicators over time. Additionally, the project benefits from favourable structural drivers such as import substitution (as such products are currently largely imported), proximity to domestic OEMs and potential policy support, which enhance demand visibility and support strong capacity utilisation levels post stabilisation.

The ratings also draw comfort from the established position of OIL in the domestic EMS space, supported by steady scale-up in its operations over the past few years. The growth has been driven by diversification across product segments and onboarding of new customers in the EMS business. The group has demonstrated healthy growth in its manufacturing segment, led by a strategic shift from low-margin job work to higher-value manufacturing, along with expansion into new categories such as wearables, Internet of Things (IoT) devices, telecom products and information technology (IT) hardware. This transition has not only supported margin improvement but also enhanced the group's value proposition within the EMS ecosystem.

[1]Corning Incorporated, is an American multinational technology company that specialises in specialty glass, ceramics and related materials and technologies, including advanced optics, primarily for industrial and scientific applications.

Increasing diversification across products and customers has reduced dependence on any single segment or customer and enhanced the overall business risk profile, while providing better revenue visibility. Going forward, established relationships with reputed OEMs and strong market positioning with meaningful share in key product categories, shall continue to support the business profile.

The ratings are however constrained by the inherently competitive and low-margin nature of the EMS and distribution businesses, along with the absence of long-term offtake contracts, which exposes the group to revenue volatility and dependence on the performance of its OEM clients. ICRA, however, draws comfort from the current healthy order book and strategic addition of new customers, which lends revenue visibility for the next fiscal. The ratings are also constrained due to the increase in the debt profile owing to the ongoing capex towards the BIGTECH project, resulting in a rise in the leverage indicators with Total Debt/ OPBITDA of 3.8 times in FY2026 (1.6 times in FY2025). Going forward, while the group maintains a prudent capital structure, supported by healthy net worth, equity infusion and internal accruals, the elevated debt levels associated with the project implementation are expected to keep Total Debt/ OPBITDA high with moderate debt protection metrics. Timely commissioning and stabilisation of BIGTECH operations shall support improvement in the financial risk profile over the medium term, which shall remain a key monitorable.

The Stable outlook on the long-term rating reflects ICRA's opinion that the company is expected to report steady growth in revenue and earnings, supported by healthy demand momentum in its EMS operations, diversified customer base and favourable industry tailwinds driven by increasing localisation. The outlook also factors in the anticipated commencement and gradual ramp-up of BIGTECH, which is likely to provide additional growth while enhancing the overall quality and stability of earnings through higher value addition and relatively better margin profile.

Key rating drivers and their description

Credit strengths

Group's established operational track record and extensive experience of the promoters – OIL has been in the electronic device distribution business for the past 30 years. At present, the company has expanded into various product categories such as IoT devices, telecom equipment and IT hardware. The operational strength is further reflected in the group's ability to scale up its manufacturing operations and diversify its customer base. The transition from distribution-led revenues to manufacturing and assembling-led profile has been supported by the promoters' technical understanding and strategic partnerships. Over the years, the company has built sizeable assembly capacities across three plants, housed within OEL and GDN. Mr. Ashok Gupta, a first-generation entrepreneur with four decades of experience in trading and mobile handset distribution, continues to oversee the day-to-day operations of the Group. He is assisted by his son, Mr. Neetesh Gupta, who oversees the operations of OEL, GDN and the new company, BIGTECH. The project execution and prospective client engagement in BIGTECH are also jointly handled by the senior leadership team of Corning.

Customer base includes reputed companies – OIL's credit profile is supported by its established relationships with a diverse set of reputed customers, including leading domestic and global brands across multiple product categories. Over the years, the group has successfully onboarded and retained well-recognised OEMs like Oppo, Realme, Vivo, TP Link, Ai+ and Nothing in segments such as mobile handsets, wearables, IoT devices, telecom equipment and IT hardware. This includes associations with prominent brands in consumer electronics and telecom, showcasing its ability to meet stringent quality and delivery requirements. OIL also has a diverse product profile, thereby, mitigating concentration risks and providing resilience against demand fluctuations in any one segment.

Healthy revenue growth in recent years; momentum expected to sustain – Over the years, OIL has been able to scale up both in distribution and manufacturing segments. With this, it reported an operating income of ~Rs. 1770 crore in FY2026 (compound annual growth rate of 29% for past five years ending FY2026). The revenue momentum is expected to sustain over the medium term with anticipated year-over-year growth of 10-15%, supported by gradual widening of its product portfolio and customer base, leading to long-lasting association with reputed OEMs like Oppo, Realme, Ai+, Nothing. Revenue growth is further driven by a favourable demand outlook in the domestic EMS industry. The sector continues to benefit from structural tailwinds such as increasing localisation of electronics manufacturing, policy support through initiatives like production-linked incentives and rising domestic consumption of electronic devices. This provides a strong underlying demand base for the group's operations and supports order inflows from OEMs. Unlike the existing EMS and distribution businesses, where growth is largely volume-driven and dependent on customer order flow, BIGTECH is expected to introduce a new revenue stream with relatively higher value addition, thereby enhancing both the scale and quality of earnings. BIGTECH is anticipated to contribute to consolidated revenues over the medium term, supported by strong demand for cover glass in electronic devices and the absence of large-scale domestic manufacturing capacity. Currently, a substantial portion of such components is imported, and the commissioning of the facility is expected to enable import substitution, thereby positioning OIL to benefit from a large and growing domestic demand.

Credit challenges

Relatively limited value-added nature of operations results in low margins in an intensely competitive industry - The EMS business is intensely competitive due to the presence of numerous players, limiting the company's pricing flexibility. A large part of the existing business involves assembly or trading-led activities, where pricing power is limited and margins are largely dependent on volumes, operational efficiencies and negotiated contracts with OEMs. Consequently, the scope for value addition is relatively low as key components and technology are typically controlled by the OEMs, resulting in modest operating margins and exposure to competitive pressures. Further, in the trading business, volatility in margins is present due to the nature of contracts. Nevertheless, OIL has been taking strategic initiatives to mitigate the impact of low-margin operations, including increasing the share of higher realisation manufacturing, exiting low-yield segments and diversifying into more value-added product categories. Commencement of commercial operations at BIGTECH is expected to enhance the value-added component of the group's operations and support margin expansion over time and that shall remain a key monitorable.

Significant debt-funded capex being undertaken in BIGTECH to keep the credit metrics moderate over near term – The group is undertaking sizeable capex for setting up its cover glass manufacturing plant in Chennai, under a JV with Corning. 60-65% of the total project cost for Phase 1 is being funded through debt, and the rest through equity infusion. Resultantly, the Total Debt/ OPBITDA remains elevated at 3.8 times in FY2026 (1.6 times in FY2025). While the debt protection metrics have moderated from previous levels, nevertheless, with the expected ramp-up in operations and the relatively higher-margin nature of the BIGTECH's business, the same is likely to support a gradual improvement in accruals and credit metrics post commercialisation of the project in H2 of the current fiscal. Further comfort is also drawn from equity fund raise and liquidity buffers maintained by the group, along with OIL's record of successful capacity expansion projects over the years.

Revenue volatility in absence of long-term contracts with OEMs, dependence on performance of OEMs – The profile remains constrained due to its business model, arising from the absence of long-term offtake contracts with OEMs and the consequent dependence on the performance and sourcing strategies of its key customers, along with product cycles and demand trends. Resultantly, the revenue visibility continues to be exposed to fluctuations across product segments and periods. While the group has been actively diversifying its customer base and product portfolio to mitigate such risks, dependence on OEM-driven demand cycles remains inherent to the EMS business model. However, this risk is partially mitigated by OIL's established relationships with multiple reputed customers, strong execution track record and its strategy of working with leading brands across categories, which provides a certain degree of business continuity. Further, the ongoing diversification into new product segments and addition of emerging customers, thereby providing incremental growth, is expected to provide avenues for progress and reduce dependence on any single OEM over time. Going forward, the group's ability to onboard new clients and increase its share of business with existing customers, reflecting strong execution capabilities and competitive positioning, shall remain a monitorable.

Environmental And Social Risks

Environmental considerations: The electronics manufacturing industry, including OIL, remains exposed to environmental compliance risks related to hazardous materials handling and waste disposal, which may entail potential liabilities. However, this risk is partially mitigated by OEL's adherence to regulatory norms, with all units having requisite permits and capabilities, and operations aligned with global standards, including the ability to manufacture Restriction of Hazardous Substances (RoHS)-compliant products.

Social considerations: Social risks in the industry stem from the health and safety concerns of employees involved in the manufacturing process. It also remains exposed to any major shift in consumer preferences, which is a key driver for demand, and accordingly may need to make material investments to realign its product portfolio.

Liquidity position: Adequate

OIL's liquidity position is Adequate, supported by annual cash accrual generation of Rs. 80-100 crore and around Rs. 32 crore of cash and bank balances as of March 2026. Additionally, there is cushion available in the form of undrawn bank lines with an average of Rs.65-70 crore at a consolidated level. OIL is in the middle of an equity-raising plan of Rs. 296.36 crore, of which it has received Rs. 216.85 crore till March 2026. The amount of equity raised out of the balance portion during the current fiscal is expected to further support the liquidity position. The group is likely to incur capex of Rs. 191 crore and Rs. 93 crore in FY2027 and FY2028, respectively, which is anticipated to be funded through a mix of debt (already sanctioned) and internal accruals. Internal accruals, available surplus and equity raised are expected to adequately fund annual debt repayments of Rs. 20-40 crore p.a. during FY2027-FY2029, incremental working capital requirements and proposed capex.

Rating sensitivities

Positive factors – A steady increase in revenue and improvement in operating margins supported by new client additions, product diversification and timely ramp-up and commercialisation of BIGTECH's operations, while maintaining the comfortable credit metrics can lead to a rating upgrade.

Negative factors – Pressure on the ratings would arise in case of a significant decline in revenues or operating margins or a significant weakening of credit and liquidity metrics. Any major delay in commencement of BIGTECH's operations might unfavourably affect the ratings. Additionally, debt service coverage ratio (DSCR) lower than 1.5 times on a sustained basis will be a negative trigger for the ratings.

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 OIL. The list of subsidiaries consolidated with OIL are all enlisted in Annexure-3.

About the company

OIL is a public limited company incorporated in 1993 by members of the Gupta family. The company was listed on the National Stock Exchange (NSE) in 2011. It has an established track record in the electronic and IT device distribution business with long-standing relationships with reputed OEMs. At present, the company primarily distributes various electronics and IT-related devices. Overall, the Optiemus Group generates substantial revenue by assembling electronic devices, including hearables/wearables, networking and IT products and serves various OEMs in the domestic market through OEL and GDN, wholly owned subsidiaries of OIL.

OIL is also setting up a cover glass manufacturing plant at BIGTECH, a 70:30 joint venture with Corning. The cover glass will find application in electronic devices including smartphones. The manufacturing plant is being set up in Kancheepuram, near Chennai in Tamil Nadu and is likely to commence commercial production in H2 FY2027. The initial product would be cover glass for smartphones with a production capacity to manufacture 30 million units annually, which will increase to 150 million in the long term. The technology and key raw materials to manufacture cover glass would be provided by Corning.

Key financial indicators (audited)

Consolidated	FY2024	FY2025	FY2026*
Operating income (OI)	1528.3	1894.6	1768.6
PAT	52.5	60.0	51.6
OPBDIT/OI	5.2%	6.4%	5.5%
PAT/OI	3.4%	3.2%	2.9%
Total outside liabilities/Tangible net worth (times)	2.2	1.2	1.2
Total debt/OPBDIT (times)	2.1	1.6	3.8
Interest coverage (times)	10.0	4.1	4.2

*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*result*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)		Chronology of rating history for the past 3 years							
	Type	Amount rated (Rs. crore)	FY2027		FY2026		FY2025		FY2024	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Non-fund limits - Proposed	Long/Short term	50.00	June 29, 2026	**[ICRA]BBB (Stable)/ [ICRA]A3+;**	-	-	Mar 24, 2025	**[ICRA]BBB- (Stable)/ [ICRA]A3**	Mar 28, 2024	**[ICRA]BBB- (Stable)/ [ICRA]A3**

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA-rated instruments fall under the regulatory purview of various Financial Sector Regulators (FSRs), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ($)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, Fis	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) *Includes securitisation transactions involving assignee payout, acquirer's payout.*

($) *Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.*

(%) *These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side FSRs have been mentioned.*

Other activities offered by ICRA fall under the regulatory purview of various FSRs, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) *The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.*

(#) *Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.*

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term/ Short term – Non-fund limits – Proposed	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 II: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Non-fund limits – Proposed**	NA	NA	NA	50.00	[ICRA]BBB (Stable)/ [ICRA]A3+

Source: Company

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

Annexure III: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Optiemus Electronics Limited	100.00%	Full consolidation
GDN Enterprises Private Limited	100.00%	Full consolidation
Optiemus Infracom (Singapore) Pte Limited	100.00%	Full consolidation
Optiemus Unmanned Systems Private Limited*	100.00%	Full consolidation
Bharat Innovative Technologies Glass Private Limited	70.00%	Full consolidation
Optiemus Telecommunication Private Limited	74.00%	Full consolidation
FineMS Electronics Private Limited	60.00%	Full consolidation
Troosol Enterprises Private Limited	60.00%	Full consolidation
Teleecare Network India Private Limited	46.22%	Equity approach

*Source: OIL annual report and company data, *incorporated on June 21, 2024.*

ANALYST CONTACTS

Jitin Makkar
+91 124-4545368
jitinm@icraindia.com

Kinjal Shah
+91 22 6114 3442
kinjal.shah@icraindia.com

Deepak Jotwani
+91 124 4545 870
deepak.jotwani@icraindia.com

Chaya Walia
+91 124 4545394
chaya.walia@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

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

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

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

Branches