

Compuage Infocom Limited (Revised)
July 21, 2023

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	450.00	CARE C; Negative; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B-; Stable;
Short Term Bank Facilities	510.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of 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 April 26, 2023, placed the rating(s) of Compuage Infocom Limited (CIL) under the 'issuer non-cooperating' category as CIL had failed to provide information for monitoring of the rating. CIL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 13, 2023, April 19, 2023, April 24, 2023, April 25, 2023, and July 18, 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 revision in ratings assigned to the bank facilities of CIL factors in operational losses reported by CIL in Q4FY23(UA) and FY23(UA), resulting in deterioration in capital structure and debt coverage indicators as on March 31, 2023.

Analytical approach: Consolidated

CARE has considered the consolidated financials of CIL for analytical purposes owing to financial and operational linkages between the company and its subsidiary. Consolidation includes CIL's wholly owned Singapore based subsidiary, Compuage Infocom (S) Pte Ltd. However, there were minimal operations in Compuage Infocom (S) Pte Ltd. in FY22.

Outlook: Negative

The revision in rating outlook from stable to negative reflect's CARE's expectation of continued stretch in the liquidity of the company as a result of significant deterioration in sales, and profitability resulting in cash losses during Q4FY23(UA).

Detailed description of the key rating drivers:

[Please refer Press Release Dated April 26 2023](#)

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Rating Outlook and Credit Watch](#)

[Policy on Withdrawal of Ratings](#)

[Consolidation](#)

About the Company
Industry Classification

Macro-Economic Indicator	Sector	Industry	Basic Industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Compuage Infocom Limited (CIL) with CIN L99999MH1999PLC135914 and listed on BSE is promoted by Mr Atul Mehta, in 1987, is a distributor of IT products. CIL's traded product portfolio comprises of 5 different verticals namely- PCs components & peripherals; Mobility products; Physical safety and security products; Enterprise solutions and Cloud computing.

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

Brief Financials (Rs. crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (UA)
Total operating income	3,730.13	4,207.50	3745.47
PBILDT	77.41	98.05	(42.43)
PAT	20.47	26.77	(137.41)
Overall gearing (times)	2.73	2.22	2.74
Interest coverage (times)	1.23	1.32	(0.58)

A: Audited, UA: Unaudited, NA: Not Available Note: 'the above results are latest financial results available.

Status of non-cooperation with previous CRA:

Infomerics has assigned to the bank loan facilities of CIL under Issuer Not Cooperating category vide press release dated July 03, 2023, on account of its inability to carry out a review in the absence of the requisite information from the company.

Any other information: Not Applicable

Rating History: Please refer Annexure-2

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

Complexity level of various instruments rated for this company: Annexure 4

Lender details: Annexure-5

Annexure-1: Details of 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 along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	450.00	CARE C; Negative; ISSUER NOT COOPERATING*
Non-fund-based - ST-ILC/FLC		-	-	-	510.00	CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating History of last three years

Sr. No.	Name of the 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-Cash Credit	LT	450.00	CARE C; Negative; ISSUER NOT COOPERATING*	1)CARE B-; Stable; ISSUER NOT COOPERATING* (26-Apr-23) 2)CARE BB; Stable (07-Apr-23)	1)CARE BBB-; Stable (10-Oct-22)	1)CARE BBB; Stable (31-Mar-22) 2)CARE BBB+; Stable (27-May-21) 3)CARE BBB+; Stable (11-May-21)	-

2	Non-fund-based - ST-ILC/FLC	ST	510.00	CARE A4; ISSUER NOT COOPERATING*	1)CARE A4; ISSUER NOT COOPERATING* (26-Apr-23) 2)CARE A4 (07-Apr-23)	1)CARE A3 (10-Oct-22)	1)CARE A3 (31-Mar-22) 2)CARE A3+ (27-May-21) 3)CARE A3+ (11-May-21)	-
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*Issuer did not cooperate; based on best available information.

* Long Term / Short Term

Annexure 3: Detailed explanation of covenants of the rated facilities: NA

Annexure 4: Complexity level of various instruments rated for this Company.

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-ILC/FLC	Simple

Annexure 5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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:

Established in 1993, CARE 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 RBI. With an equitable position in the Indian capital market, CARE 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, CARE 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. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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