



Press Release

Compuage Infocom Limited (CIL)

September 23, 2024

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Facilities	383.00	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	Rating reaffirmed and continued under Issuer Not Cooperating category	Simple
Proposed Long Term Facilities	67.00	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	Rating reaffirmed and continued under Issuer Not Cooperating category	Simple
Long Term / Short Term Facilities	478.00	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	Rating reaffirmed and continued under Issuer Not Cooperating category	Simple
Proposed Long Term / Short Term Bank Facilities	32.00	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	IVR D; ISSUER NOT COOPERATING* (IVR D; ISSUER NOT COOPERATING)	Rating reaffirmed and continued under Issuer Not Cooperating category	Simple
Total	Rs. 960.00 Crore (Rupees Nine Hundred				



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	and Sixty Crore Only)				
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**Issuer did not cooperate; based on best available information*

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics has reaffirmed the ratings assigned to bank facilities of CIL and continued under Issuer Not Cooperating Category due to lack of adequate information available, non-payment of annual surveillance fees and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated September 18, 2024, September 19, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.

Accordingly, the rating for the bank facilities of CIL aggregating to Rs. 960.00 crore has been reaffirmed and continued under ISSUER NOT COOPERATING category at IVR D; ISSUER NOT COOPERATING based on best available information by Infomerics Ratings.



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Analytical Approach: Standalone

Applicable Criteria:

[Policy on Issuer Not-Cooperating](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Rating Methodology for Trading Companies](#)

About the Company

Compuage Infocom Limited is a technology products distribution company in India is founded by Mr. Atul Mehta in 1987. Headquartered in Mumbai, CIL is a distribution intermediary of technology products and solutions like PC components and peripherals, enterprise solutions, mobility products, hardware services and cloud-computing. The company manages the entire supply chain right from procurement, warehousing, broking bulk, technical support, transportation, and credit deployment. The distribution network of CIL consists of 46 sales offices, 27 warehouses, 69 service centers and a team of over 700+ professionals across the country and region, Compuage represents 28+ global brands and supports over 12,000 online & offline retailers, resellers and system integrators.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2022	31-03-2023
	Audited	Abridged
Total Operating Income	4207.5	3739.44
EBITDA	98.05	-118.59
PAT	26.77	-114.37
Total Debt	503.88 [^]	470.37
Tangible Net Worth	247.26	173.18
EBITDA Margin (%)	2.33	(3.17)
PAT Margin (%)	0.64	(3.06)
Overall Gearing Ratio (x)	2.04 [^]	2.72
Interest Coverage (x)	1.32	(1.62)

* Classification as per Infomerics' standards.

[^]Excluding CPLTD



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Status of non-cooperation with previous CRA:

CARE ratings vide its press release dated August 09, 2023, has continued to classify the ratings of the company under Issuer Non Cooperating category on account of non-submission of relevant information.

Any other information: Not Applicable

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
						July 21, 2022	
1.	Cash Credit/OD/WCDL	Long Term	383.00	IVR D; ISSUER NOT COOPERATING*	(August 07, 2023) IVR D; ISSUER NOT COOPERATING* (July 03, 2022) IVR B+/Negative; ISSUER NOT COOPERATING* (April 14, 2023) IVR BB/ Negative	IVR BBB+/Stable	(March 31, 2022) IVR A-/ Credit Watch with Developing Implications (March 23, 2022) IVR BBB+/Stable
2.	Proposed Cash Credit/OD/WCDL	Long Term	67.00	IVR D; ISSUER NOT COOPERATING*	(August 07, 2023) IVR D; ISSUER NOT COOPERATING* (July 03, 2022) IVR B+/Negative; ISSUER NOT COOPERATING* (April 14, 2023) IVR BB/ Negative	IVR BBB+/Stable	(March 31, 2022) IVR A-/ Credit Watch with Developing Implications (March 23, 2022) IVR BBB+/Stable



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						July 21, 2022	
3.	LC/BG	Long Term/ Short Term	478.00	IVR D; ISSUER NOT COOPERATING*	(August 07, 2023) IVR D; ISSUER NOT COOPERATING* (July 03, 2022) IVR B+/Negative/IVR A4; ISSUER NOT COOPERATING* (April 14, 2023) IVR BB/ Negative/ IVR A4	IVR BBB+/ Stable/ IVR A2	(March 31, 2022) IVR A-/ IVR A2+/ Credit Watch with Developing Implications (March 23, 2022) IVR BBB+/ Stable / IVR A2
4.	Proposed LC/BG	Long Term/ Short Term	32.00	IVR D; ISSUER NOT COOPERATING*	(August 07, 2023) IVR D; ISSUER NOT COOPERATING* (July 03, 2022) IVR B+/Negative/IVR A4; ISSUER NOT COOPERATING* (April 14, 2023) IVR BB/ Negative/ IVR A4	IVR BBB+/ Stable/ IVR A2	(March 31, 2022) IVR A-/ IVR A2+/ Credit Watch with Developing Implications (March 23, 2022) IVR BBB+/ Stable / IVR A2

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

Analytical Contacts:

Name: Amey Joshi

Tel: (022) 6239 6023

Email: amey.joshi@infomerics.com



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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit/ OD/ WCDL	--	--	--	--	383.00	IVR D; ISSUER NOT COOPERATING*
Proposed Cash Credit/ OD/ WCDL	--	--	--	--	67.00	IVR D; ISSUER NOT COOPERATING*
LC/BG	--	--	--	--	478.00	IVR D; ISSUER NOT COOPERATING*
Proposed LC/BG	--	--	--	--	32.00	IVR D; ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.