



## Press Release

### Optimus Infracom Limited

February 27, 2021

#### Ratings

Instrument/Facility	Amount (Rs. Crore)	Ratings	Rating Action
Lease Rental Discounting Facility (LRD)	190.00	IVR BB+; ISSUER NOT COOPERATING (IVR Double B Plus; ISSUER NOT COOPERATING) *	Revised from IVR BBB/Stable Outlook (IVR Triple
<b>Total</b>	<b>190.00</b>		

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

#### Detailed Rationale

The aforesaid rating action to the Lease Rental Discounting Facility (LRD) facilities of Optimus Infracom Limited reflects lack of adequate information available about the performance of the company 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 the rating may not adequately reflect the credit risk profile of the entity, despite the rating revision.

#### Note on non-cooperation

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the Lease Rental Discounting Facility (LRD), vide E-mail communications dated February 22, 2021, February 03, 2021, January 27, 2021 and January 23, 2021, concurrently over phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics took rating action the rating based on the best available information.



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Accordingly, the long- term rating for the LRD facilities of Optiemus Infracom Limited aggregating to Rs.190.00 crore has been migrated to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating is revised as "IVR BB+: Issuer Not Co-operating (IVR Double B Plus: Issuer Not Co-operating; Based on best available information)" from "IVR BBB/Stable with Stable Outlook".

Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

### **Analytical approach and Applicable Criteria**

Standalone

Guidelines on what constitutes Non-Cooperation by clients.

Financial Ratios & Interpretation (Non-financial Sector)

Rating Methodology for Structured Debt Transaction (Non-securitisation transaction)

### **About the Company**

Optiemus Infracom Limited (OIL) was originally incorporated in the year 1993 as Akanksha Finvest Limited (AFL), a Non-Banking Financial Company. In January 2009, Mr. Ashok Gupta, the promoter of Telemart Communication India Pvt. Ltd. (Telemart), which was a distributor of Samsung mobile handsets, took over the management of AFL. Subsequent to the takeover, the name of AFL was changed to Akanksha Cellular Limited (ACL). Later during March 2009, the Board of Directors of ACL approved a scheme of merger of seven group companies (including Telemart) with ACL. The name of the merged entity was subsequently changed to "Optiemus Infracom Limited" in June 2011. Optiemus is currently listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

OIL is engaged in distribution of mobile handsets of reputed brands like Nokia and Samsung for last 25 years. They operate with a vast spread of 27 Regional Branches, presence with close to 650 Distributors (Micro and Macro Distributors), more than 10,000 retail partners (in the general trade segment) and more than 700 service centers.



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### Financials (Standalone):

(Rs. In Crore)

For the year ended*	31-03-2019	31-03-2020
	Audited	Audited
Total Operating Income	404.27	341.31
EBITDA	-7.83	-43.46
PAT	2.22	-68.66
Total Debt	238.81	228.85
Tangible Net worth	318.05	247.00
EBITDA Margin (%)	-1.94	-12.73
PAT Margin (%)	0.43	-19.95
Overall Gearing Ratio (x)	0.75	0.93

\*Classification as per Infomerics' standards

### Status of non-cooperation with previous CRA:

CARE Ratings has moved the rating into Issuer Not Cooperating category as per PR dated Nov 27, 2019 and January 25, 2021.

Any other information: N.A

### Rating History for last three years:

S. No	Name of Instrument/ Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019- 20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Lease Rental Discounting	Long Term	190.00	IVR BB+; ISSUER NOT COOPERATING	IVR BBB/Stable Outlook (Jan 02, 2020)	-	-

**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](http://www.infomerics.com).

### Name and Contact Details of the Rating Analyst:

Name: Mr. Ravi Prakash



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Tel: (011) 24655636

Email: [rprakash@infomerics.com](mailto:rprakash@infomerics.com)

### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**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, suspend 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.

### Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating / Outlook
Lease Rental Discounting	-	-	Sep, 2028	190.00	IVR BB+; ISSUER NOT COOPERATING*

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