

August 20, 2024

Microcare Computers Pvt. Ltd: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Cash Credit	4.00	4.00	[ICRA]BBB-(Stable); Withdrawn
Long-term/ Short-term – Non-fund Based	41.00	41.00	[ICRA]BBB-(Stable)/[ICRA] A3; Withdrawn
Long-term/ Short-term – Unallocated	30.00	30.00	[ICRA]BBB-(Stable)/[ICRA] A3; Withdrawn
Total	75.00	75.00	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Microcare Computers Pvt. Ltd** at the request of the company and confirmation from the company that they have not availed unallocated limits rated by ICRA from any of the banks and based on the No Objection Certificate received from the bankers, which is in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key rating drivers, Liquidity position, Rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Incorporated in 1989, MCPL offers IT infrastructure solutions and services to small and mid-sized businesses (SMBs) and enterprises across Government and private sectors. The company's technology partners include HP, Microsoft, VMware, Redhat, Citrix, etc. It is the sole HP platinum business partner in Andhra Pradesh for HP's range of products spanning enterprise servers, storage, networking, and personal computers and printing solutions. In the services segment, MCPL offers annual maintenance contracts (AMC), facility management services (FMS) and managed IT services. Further, it offers data centre build solutions, enterprise data management solutions and cloud computing, along with other products and software from industry leaders such as Fortinet, Microsoft, Oracle, Systemax, Molex TVSE and Lipi, etc.

Key financial indicators (Audited)

Microcare Computers Pvt. Ltd	FY2022	FY2023
Operating income	125.6	299.3
PAT	7.4	14.2
OPBDITA/OI (%)	10.3%	7.7%
PAT/OI (%)	5.9%	4.7%
Total outside liabilities/Tangible net worth (times)	0.9	1.6
Total debt/OPBDIT (times)	0.8	0.5
Interest coverage (times)	3.9	5.5

PAT: Profit after Tax; OPBDITA: Operating Profit before Depreciation, Interest, Taxes and Amortisation

Source: Company Data; Note: Amount in Crores

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current rating (FY2025)		Chronology of rating history for the past 3 years			
		Amount Rated (Rs. Crore)	Date & rating in FY2025	Date & rating in FY2024		Date & rating in FY2023	Date & rating in FY2022
			August 20, 2024	July 27, 2023	June 22, 2023	Apr 13, 2022	-
1 Cash credit	Long term	4.00	[ICRA]BBB-(Stable); Withdrawn	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-
2 Bank guarantee	Long term / short term	41.00	[ICRA]BBB-(Stable) / [ICRA] A3; Withdrawn	[ICRA]BBB-(Stable) / [ICRA]A3	[ICRA]BBB-(Stable) / [ICRA]A3	[ICRA]BBB-(Stable) / [ICRA]A3	-
3 Unallocated	Long term / short term	30.00	[ICRA]BBB-(Stable) / [ICRA] A3; Withdrawn	[ICRA]BBB-(Stable) / [ICRA]A3	[ICRA]BBB-(Stable) / [ICRA]A3	[ICRA]BBB-(Stable) / [ICRA]A3	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Cash credit	Simple
Long-term/ Short -term – Non fund based	Very simple
Long term / Short term – unallocated	Not applicable

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	Cash credit	NA	NA	NA	4.00	[ICRA]BBB-(Stable); Withdrawn
NA	Bank guarantee	NA	NA	NA	41.00	[ICRA]BBB-(Stable)/[ICRA]A3; Withdrawn
NA	Unallocated	NA	NA	NA	30.00	[ICRA]BBB-(Stable)/[ICRA]A3; Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis- Not Applicable

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About ICRA Limited:

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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.

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