

May 04, 2020

Quadgen Wireless Solutions Private Limited: Ratings withdrawn

Summary of Rated Instrument:

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term - Fund Based – CC	20.00	20.00	[ICRA]BBB- (CE) @; Withdrawn
Short Term - Non-fund Based	200.00	200.00	[ICRA]A3 (CE) @; Withdrawn
Short Term - Unallocated	280.00	280.00	Provisional [ICRA]A3 (CE) @; Withdrawn
Total	500.00	500.00	

Note: @ - rating placed on watch with negative implications

Rationale

The ratings assigned to Quadgen Wireless Solutions Private Limited (QWSPL / the company) have been withdrawn at the request of the company, upon receipt of no objection certificate (NOC) from the banker and with the corporate guarantee provided to the company by Quadgen Wireless Solution Inc. USA (on which the rating was based) being withdrawn, in accordance with ICRA's policy on withdrawal and suspension of credit rating. Also, ICRA does not have requisite information to suggest that the credit risk has changed since the time the rating was last reviewed.

Link to the last Press Release published on ICRA website

<https://www.icra.in/Rationale/ShowRationaleReport/?Id=89159>

About the company

Quadgen Wireless Solutions Private limited (Quadgen India/ the company) is a private limited company incorporated in 2007. Quadgen India initially started as a back-end support to its holding company (Quadgen USA) and later diversified into Wi-Fi and smart city business. Quadgen India builds, owns, operates, maintains, sells and markets Wi-Fi services on carrier overlay partnership with BSNL. Quadgen India is also a maintenance service provider (MSP) partner to global Master System integrators (MSIs) for smart city and fiber grid projects. The company also offers system integration (SI) and MSP for Wi-Fi/data centre/ optical NW/ collaboration/ RAN optimization and cyber security domains.

Key financial indicators (Quadgen Wireless Solutions Private Limited)

Standalone	FY2018	FY2019 Provisional
Operating Income (Rs. crore)	52.7	227.1
PAT (Rs. crore)	-10.0	25.1
OPBDIT/OI (%)	2.8%	20.1%
RoCE (%)	-27.6%	40.7%
Total Outside Liabilities/Tangible Net Worth (times)	2.2	2.2
Total Debt/OPBDIT (times)	7.2	1.0
Interest Coverage (times)	4.5	8.0
DSCR	0.1	2.7

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Ratings	FY2020		FY2019	FY2019
					May-04-2020	Oct - 14 - 2019	May-27-2019	Jan - 21 - 2019	July - 06 - 2018
1	Fund based facilities	Long Term	20.00	NA	[ICRA]BBB-(CE) @; Withdrawn	[ICRA]BBB-(CE) @	[ICRA]BBB-(SO) (Stable)	[ICRA]BBB-(SO) (Stable)	[ICRA]BBB-(SO) (Stable)
2	Non-fund-based facilities	Short Term	200.00	NA	[ICRA]A3 (CE) @; Withdrawn	[ICRA]A3 (CE) @	[ICRA]A3 (SO)	[ICRA]A3 (SO)	[ICRA]A3 (SO)
3	Unallocated	Short Term	280.00	NA	Provisional [ICRA]A3 (CE) @; Withdrawn	Provisional [ICRA]A3 (CE) @	Provisional [ICRA]A3 (SO)	Provisional [ICRA]A3 (SO)	-

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long Term - Fund based facilities	May 2018	10.5%	-	20.00	[ICRA]BBB- (CE) @; Withdrawn
NA	Short Term - Non-fund-based facilities	May 2018 / Nov 2018	-	-	220.00	[ICRA]A3 (CE) @; Withdrawn
NA	Short Term - Unallocated	-	-	-	280.00	Provisional [ICRA]A3 (CE) @; Withdrawn

Source: Company.

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