December 27, 2022

Panache Digilife Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Fund Based – Term Loan	4.00	4.00	[ICRA]BB (Negative); withdrawn
Long Term – Fund Based – Cash Credit	20.00	20.00	[ICRA]BB (Negative); withdrawn
Short Term – Non-Fund Based – LC/BG	9.00	9.00	[ICRA]A4; withdrawn
Total	**33.00**	**33.00**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Panache Digilife Limited** at the request of the company and based on the No objection certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal. However, 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Position, Rating Sensitivities and Key financial indicators have not been captured as the rated instruments are being withdrawn.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 Rating Methodology for Entities in the information Technology Hardware-related services industry.
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of PDL. The list of subsidiaries and joint ventures is enlisted in Annexure 2.

About the company

Incorporated in 2007, Panache Digilife Limited is an NSE-listed ICT and IoT devices design, manufacturing, distribution and services company, headquartered in Mumbai. The company has an ISO 9001:2015 & 14001:2015 certified manufacturing facility at Bhiwandi (Maharashtra) spread over 57,000 sq. ft. with a current manufacturing capacity of five lakh units per annum

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2023)				Chronology of rating history for the past 3 years			
		Type	Amount rated (Rs. crore)	Amount outstanding (Rs. crore)	Current rating	Date & rating in FY2022		Date & rating in FY2021	Date & rating in FY2020
					Dec 27, 2022	Feb 15, 2022	Nov 26, 2021	Mar 25, 2021	-
1	**Term Loan**	Long-Term	4.00	-	**[ICRA]BB(Negative); withdrawn**	[ICRA]BB (Negative)	[ICRA]BB+ (Negative)	[ICRA]BB+ (Stable)	-
2	**Cash Credit**	Long-Term	20.00	-	**[ICRA]BB(Negative); withdrawn**	[ICRA]BB (Negative)	[ICRA]BB+ (Negative)	[ICRA]BB+ (Stable)	-
3	**Non-Fund Based Bank Facilities**	Short Term	9.00	-	**[ICRA]A4; withdrawn**	[ICRA]A4	[ICRA]A4+	[ICRA]A4+	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long-term Fund based - Term Loan	Simple
Long-term Fund based - Cash Credit	Simple
Short-term- Non-Fund Based	Very Simple

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 No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Term Loan	Feb 2020	-	Aug 2024	4.00	[ICRA]BB (Negative); Withdrawn
NA	Cash Credit	-	-	-	20.00	[ICRA]BB (Negative); Withdrawn
NA	Non-Fund Based Facilities – LC/BG	-	-	-	9.00	[ICRA]A4; Withdrawn

Source: *Company; Note: Amount in Rs. Crore*

Annexure-II: List of entities considered for consolidated analysis-

Company Name	PLD Ownership	Consolidation Approach
Technofy Digital Private Limited	100%	Full Consolidation
ICT Infratech Services Private Limited	50%	Equity Method

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545 328
shamsher.d@icraindia.com

Deepak Jotwani
+91 124 4545 870
deepak.jotwani@icraindia.com

Kinjal Shah
+91 22 6114 3442
kinjal.shah@icraindia.com

Rashmi Gole
+91 20 66069917
rashimi.gole@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches