



## Press Release

### Cerebra Integrated Technologies Limited

November 15, 2023

#### Ratings

Facilities**	Amount (Rs. crore)	Previous Ratings	Current Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	13.99	IVR C/Negative/ Issuer Not Cooperating* (IVR Single C/Negative/ Issuer Not Cooperating)	IVR D / Issuer Not Cooperating* (IVR Single D / Issuer Not Cooperating)	Downgraded and Continued under ISSUER NOT COOPERATING Category	Simple
Short Term Bank Facilities	15.00	IVR A4/Negative/ Issuer Not Cooperating (IVR A Four/Negative/ Issuer Not Cooperating)	IVR D / Issuer Not Cooperating* (IVR Single D / Issuer Not Cooperating)	Downgraded and Continued under ISSUER NOT COOPERATING Category	Simple
Long Term/Short Term Bank Facilities	21.01***	IVR C/A4/Negative/ Issuer Not Cooperating (IVR Single C/A Four/Negative/ Issuer Not Cooperating)	IVR D / Issuer Not Cooperating* (IVR Single D / Issuer Not Cooperating)	Downgraded and Continued under ISSUER NOT COOPERATING Category	Simple
<b>Total</b>	<b>50.00</b>	<b>Rupees Fifty Crore Only</b>			

\* Issuer not cooperating; Based on best available information

\*\* Details of facilities is given under Annexure I.

\*\*\*The facility is proposed in nature.

#### Ratings

The rating has been downgraded and continued under 'ISSUER NOT COOPERATING' category, due to poor financial results (H1FY2024) and qualified opinion given by the auditor.

#### Detailed Rationale

The rating revision is because of lack of adequate information regarding Cerebra Integrated Technologies Limited Performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is



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unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. IVR has been regularly seeking No default statement (NDS) from the entity and the same has not been submitted. Hence, on account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. 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.

### **Non-cooperation by Issuer**

Availability of information is very critical in 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 long-term rating and short-term rating for the bank loan facilities aggregating to Rs. 50.00 Crore of M/s Cerebra Integrated Technologies Limited have been downgraded and continued under 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term be noted as IVR D/ISSUER NOT CO-OPERATING; and the rating for short term be noted as IVR D/ISSUER NOT CO-OPERATING based on best available information.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

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

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria for assigning rating outlook.](#)

[Criteria on default recognition and post default curing period](#)

**About the Company**



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Cerebra Integrated Technologies Limited, was initially established as partnership firm in 1992 and started its operation as manufacturing of computer systems and trading of its peripherals, components, etc. In 1993 it was converted to public limited company. CITL is currently engaged in the business of e-waste recycling, refining and refurbishment, electronic manufacturing services and IT infrastructure management. The company is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).

### Financials (Standalone):

(Rs. crore)

For the year ended*/As on	31-03-2022	31-03-2023	H1FY2024
	Audited	Audited	Unaudited
Total Operating Income	231.08	86.20	24.49
EBITDA	41.87	9.79	-19.45
PAT	27.43	2.52	-24.49
Total Debt	32.51	41.03	40.93
Adjusted Net Worth**	262.03	265.18	240.72
EBITDA Margin (%)	18.12	11.36	-78.48
PAT Margin (%)	11.63	2.92	-98.82
Overall Gearing Ratio (x)	0.12	0.15	0.17

\*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

### Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding. (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24 (August 14, 2023)	Date(s) & Rating(s) assigned in 2023-24 (June 8, 2023)	Date(s) & Rating(s) assigned in 2022-23 (December 01, 2022)
1.	Fund based	Long Term	13.99	IVR D/IN C	IVR C/Negative/INC	IVR BB/Negative/INC	IVR BB+/Stable



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2.	Fund Based	Short Term	10.00	IVR D/IN C	IVR A4/INC	IVR A4/INC	IVR A4+
3.	Non-Fund Based	Short Term	5.00	IVR D/IN C	IVR A4/INC	IVR A4/INC	IVR A4+
4.	Fund Based/Non-Fund Based	Long/Short Term	21.01**	IVR D/IN C	IVR C/Negative/A4/INC	IVR BB/Negative/A4/INC	IVR BB+/Stable/ A4+

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

*\*\*The facility is proposed in nature.*

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

Name: Mr. Om Prakash Jain  
Tel: (011) 45579024  
Email: [opjain@infomerics.com](mailto:opjain@infomerics.com)

### 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



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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 visit [www.infomerics.com](http://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 entity 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	2.99	IVR D/INC
Cash Credit	-	-	-	11.00	IVR D/INC
Bank Guarantee	-	-	-	3.00	IVR D/INC
Letter of Credit	-	-	-	2.00	IVR D/INC
Overdraft#	-	-	-	10.00	IVR D/INC
Proposed Facility*	-	-	-	21.01*	IVR D/INC

\*The facility is proposed in nature.

#The facility tenure is six months only.



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**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable.

**Annexure 3: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/len-Cerebra-nov23.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** 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](http://www.infomerics.com).