



Press Release

SISL Infotech Private Limited

July 27, 2023

Ratings

| Facilities | Amount (Rs. crore) | Ratings | Rating Action | Complexity Indicator |
|-------------------------------------|-----------------------|--|--|--|
| Long Term Bank Facilities | 10.00 | IVR BB/ Negative, ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*) | Rating Revised and continued at ISSUER NOT COOPERATING category | Simple |
| Short Term Bank Facilities | 120.00 | IVR A4/ ISSUER NOT COOPERATING* (IVR A4 Outlook; ISSUER NOT COOPERATING*) | Rating Revised and continued at ISSUER NOT COOPERATING category | Simple |
| Total | 130.00 | (Rupees One Hundred Thirty crore only) | | |

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

Details of Facilities are in Annexure 1

Detailed Rationale

The revision in the ratings assigned to the bank facilities of SISL Infotech Private Limited (SIPL) reflects lack of adequate information available 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 lender, investors and other market participants are thus advised to exercise appropriate caution while using this rating as this rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide email communications dated June 27, 2023, July 3, 2023, July 10, 2023, and July 11, 2023, and concurrently over several phone calls. However, despite the repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the rating.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the bank loan ratings aggregating to INR



Press Release

130.00 crore of SISL Infotech Private Limited shall remain in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB with Negative outlook; Issuer Not Co-operating and IVR A4/ Issuer Not Co-operating.

Analytical Approach: Standalone

Applicable Criteria:

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

[Criteria of assigning Rating Outlook](#)

[Rating Methodology for trading companies](#)

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

About the Company

SIPL is engaged in providing IT consulting services and also acts as a vendor of many government entities. The business of SIPL was started with a mission to perform as a key system integrator at identifying, qualifying and delivering IT solutions, and become a recognized name for offering lasting values to both, partners and customers. The company operates out of 4 offices across India. It is also catering to the IT infrastructure needs of international businesses with offices in the UK and Singapore. SISL operates in collaboration with its clients and delivers solutions that work for their business.

Financials (Standalone):

(Rs. crore)

| For the year ended* As on | 31-03-2019 | 31-03-2020 |
|---------------------------|----------------|----------------|
| | Audited | Audited |
| Total Operating Income | 333.21 | 447.02 |
| EBITDA | 20.39 | 22.39 |
| PAT | 10.37 | 10.90 |
| Total Debt | 39.40 | 54.97 |
| Tangible Net worth | 26.92 | 37.51 |
| EBITDA Margin (%) | 6.12 | 5.01 |
| PAT Margin (%) | 3.10 | 2.42 |
| Overall Gearing Ratio (x) | 1.45 | 1.53 |

**Classification as per Infomerics' standard*

Status of non-cooperation with previous CRA: Nil



Press Release

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 2022-23 (June 13, 2022) | Date(s) & Rating(s) assigned in 2021-22 | Date(s) & Rating(s) assigned in 2020-21 (March 23, 2021) |
| 1. | Cash Credit | Long Term | 10.00 | IVR BB/ Negative, ISSUER NOT COOPERATING* | IVR BB+; ISSUER NOT COOPERATING* | - | IVR BBB- / Stable |
| 2. | Letter of Credit/ Bank Guarantee | Short Term | 50.00 | IVR A4/ ISSUER NOT COOPERATING* | IVR A4+; ISSUER NOT COOPERATING* | - | IVR A3 |
| 3. | Proposed Bank Guarantee | Short Term | 70.00 | IVR A4/ ISSUER NOT COOPERATING* | IVR A4+; ISSUER NOT COOPERATING* | - | IVR A3 |

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

Name and Contact Details of the Rating Analyst:

| | |
|---|---|
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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).



Press Release

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 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.

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 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.



Press Release

Annexure 1: Details of Facilities

| Name of Facility | Date of Issuance | Coupon Rate/ IRR | Maturity Date | Size of Facility (Rs. crore) | Rating Assigned/ Outlook |
|-----------------------------------|------------------|------------------|---------------|------------------------------|--|
| Cash Credit | - | - | - | 10.00 | IVR BB/ Negative, ISSUER NOT COOPERATING* |
| Letter of Credit / Bank Guarantee | - | - | - | 50.00 | IVR A4/ ISSUER NOT COOPERATING* |
| Proposed Bank Guarantee | - | - | - | 70.00 | IVR A4/ ISSUER NOT COOPERATING* |

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

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

Annexure 3: Facility wise lender details: Not available

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.