



## Press Release

### SISL Infotech Private Limited (SISL)

September 05, 2024

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	10.00	IVR BB-/ Negative; ISSUER NOT COOPERATING* (IVR Double B minus with Negative Outlook; ISSUER NOT COOPERATING*)	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook; ISSUER NOT COOPERATING*)	Downgraded and continued under ISSUER NOT CO-OPERATING category	<a href="#">Simple</a>
Short Term Bank Facilities	120.00	IVR A4/ ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	IVR A4/ ISSUER NOT COOPERATING* (IVR A Four; ISSUER NOT COOPERATING*)	Reaffirmed and continued under ISSUER NOT CO-OPERATING category	<a href="#">Simple</a>
<b>Total</b>	<b>Rs. 130.00 Crore (Rupees One Hundred and Thirty crore Only)</b>				

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

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### Detailed Rationale

Infomerics has downgraded/reaffirmed the ratings assigned to the bank facilities of SISL due to 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 lenders, 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.



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

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facilities, vide mail communications dated July 26, 2024, August 12, 2024, August 23, 2024, and August 28, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.

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 assign the rating based on the best available information.

Accordingly, the long-term and short term rating for the bank facilities of SISL aggregating to Rs. 130.00 crore shall be downgraded/reaffirmed and continued under ISSUER NOT COOPERATING category and long-term rating will be denoted as IVR BB-/Negative; ISSUER NOT COOPERATING and short term rating will be denoted as IVR A4; ISSUER NOT COOPERATING based on best available information by Infomerics Ratings.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Policy on Issuer Not-Cooperating](#)

[Criteria of assigning Rating outlook](#)

[Policy on Default Recognition and Post – Default Curing Period](#)

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

[Complexity Level of Rated Instruments/Facilities](#)

[Rating Methodology for Service sector Companies](#)

### **About the Company**

SISL is engaged in providing IT consulting services and also acts as a vendor of many government entities. The business of SISL 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.



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### Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2021	31-03-2022
	Audited	Audited
Total Operating Income	443.74	406.80
EBITDA	23.20	18.99
PAT	10.64	5.60
Total Debt	58.13	91.99
Tangible Net Worth	46.86	52.46
EBITDA Margin (%)	5.23	4.67
PAT Margin (%)	2.37	1.37
Overall Gearing Ratio (x)	1.32	1.85
Interest Coverage (x)	1.86	1.45

\* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: Nil

Any other information: Not Applicable

Rating History for last three years:

Sr. No	Name of Security/Facilities	Current Ratings (2024-25)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
					(July 27, 2023)	(June 13, 2022)	
1.	Cash Credit	Long Term	10.00	IVR BB-/Negative; ISSUER NOT COOPERATING*	IVR BB/Negative; ISSUER NOT COOPERATING*	IVR BB+/Negative; ISSUER NOT COOPERATING*	--
2.	Letter of credit/Bank Guarantee	Short Term	50.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4; ISSUER NOT COOPERATING*	IVR A4+; ISSUER NOT COOPERATING*	--
3.	Proposed Bank Guarantee	Short Term	70.00	IVR A4; ISSUER NOT COOPERATING*	IVR A4; ISSUER NOT COOPERATING*	IVR A4+; ISSUER NOT COOPERATING*	--

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



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**Analytical Contacts:**

Name: Amey Joshi

Tel: (022) 6239 6023

Email: [amey.joshi@infomerics.com](mailto:amey.joshi@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 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 and definition of ratings please 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 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.



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### Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	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: Facility wise lender details:** Not Applicable

**Annexure 3: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable

**Annexure 4: List of companies considered for consolidated analysis:** 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).