



Press Release

Silver Touch Technologies Ltd

August 02, 2022

Ratings Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long term Bank Facilities	10.00	IVR BB+; ISSUER NOT CO-OPERATING*	Downgraded from IVR BBB (Triple B) and Moved to ISSUER NOT COOPERATING category	Simple
Long Term/ Short Term Bank Facilities	45.00	IVR BB+/IVR A4+; ISSUER NOT CO-OPERATING*	Downgraded from IVR BBB/IVR A3+ (Triple B Plus/A Three Plus) and Moved to ISSUER NOT COOPERATING category	Simple
Total	55.00 (INR Fifty Five Crore Only)			

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

Details of Facility are in Annexure 1

Detailed Rationale

The rating revision is because of non-receipt of annual surveillance fee and few information from Silver Touch Technologies Ltd. Infomerics assesses whether the information available about the company 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 the rating may not adequately reflect the credit risk profile of the company.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required fees and data to monitor its assigned rating to the bank facilities. However, despite repeated requests by Infomerics, the company's management has not submitted the pending fees for surveillance exercise.



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In the absence of the requisite fees and few information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long- term ratings for the bank loan facilities aggregating to Rs.10.00 crore and the Long term/short- term ratings for the bank loan facilities aggregating to Rs.45.00 crore shall be moved to under 'ISSUER NOT COOPERATING' category by Infomerics and the ratings be noted as IVR BB+; Issuer Not Co-operating and IVR A4+; Issuer Not Co-operating; Based on best available information (IVR Double B+; Issuer Not Co-operating; and IVR A Four Plus; Issuer Not Co-operating; Based on best available information) of Silver Touch Technologies Ltd.

Analytical Approach & Applicable Criteria:

Standalone

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

[Rating Methodology for Service Sector companies](#)

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

About the company

Incorporated in February 1995, Silver Touch Technologies Ltd (STTL) was promoted by Ahmedabad (Gujarat) based technocrat Mr. Vipul H Thakkar along with other three promoters. Since inception, the company is engaged in providing Information Technology related services to various State Government, Central Government agencies and private organisations throughout the country. The company has started wholly owned subsidiaries 6 (though there is no meaningful operation) in the countries like USA (Silver Touch Technologies INC), UK (Silver Touch Technologies UK Ltd) and France (Silver Touch Technologies SAS). On December 01, 2017, the company got listed on SME platform of National Stock Exchange. However, the Company has migrated to Main Board of both NSE, and BSE dated May 12,2022.

Day-to-day affairs of the company are looked after by Mr. Vipul H Thakkar, CMD, along with other eight directors and a team of experience personnel.



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Financials (Standalone)

(Rs. crore)

For the year ended* / As On	31-3-2021	31-3-2022
	Audited	Audited
Total Operating Income	141.12	129.62
EBITDA	4.06	10.92
PAT	0.94	6.11
Total Debt	0.48	0.21
Tangible Net worth	77.29	82.16
EBITDA Margin (%)	2.90	8.51
PAT Margin (%)	0.66	4.71
Overall gearing (x)	0.01	0.00

* As per Infomerics Standard

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 Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1	Cash Credit	Long Term	10.00	IVR BB+; ISSUER NOT CO-OPERATING*	IVR BBB; Under Credit Watch with Developing Implication (Feb 01,2022)	IVR BBB; Under Credit Watch with Developing Implication (March 23,2021)	IVR BBB+; Stable (January 24,2020)
2	Bank Guarantee	Long Term/Short Term	45.00	IVR BB+/IVR A4+; ISSUER NOT CO-OPERATING*	IVR BBB /IVR A3+; * Under Credit Watch with Developing Implication (Feb 01,2022)	IVR BBB /IVR A3+; * Under Credit Watch with Developing Implication (March 23,2021)	IVR BBB+; Stable (January 24,2020)

* Issuer did not cooperate; based on best available information



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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit <https://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, suspend 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.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility	Rating Assigned/ Outlook
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				(Rs. Crore)	
LT Fund Based Limits – Cash Credit	-	-	-	10.00	IVR BB+; ISSUER NOT CO-OPERATING*
LT/ST Fund-based/ Non-Fund-based Limits – Bank Guarantee **	-	-	-	45.00	IVR BB+/IVR A4+; ISSUER NOT CO-OPERATING*

* Issuer did not cooperate; based on best available information

**Sublimit-Cash Credit of 5.00, WCDL of 5.00 and LC of 2.00

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Silver-Touch-aug22.pdf>

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

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 <https://www.infomerics.com>.