

Press Release

Syscon Instruments Private Limited

July 14, 2022



Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	6.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	9.90	ACUITE BB Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	15.90	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded to long term rating from '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BB**' (read as **double B**) and reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) has been Reaffirmed on the Rs.15.90 Cr bank facilities of Syscon Instruments Private Limited (SIPL). The rating is flagged as "Issuer Not-Cooperating" based on account of information risk.

About the Company

Instrol Devices was established as a partnership firm in 1984. The firm is engaged in doing job work for Syscon Instruments Private Limited by manufacturing SPM's machine parts. The partners of the firm are M. Mallikarjuna Swamy, Kasturi Rangan, A. Ranganatha and G. S. Veerabhadrapa.

Syscon Calibration Centre Private Limited was incorporated in 2009. The company is engaged in providing services for repair and maintenance of SPM's. The directors of the company are M. Mallikarjuna Swamy, Kasturi Rangan, A. Ranganatha and G. S. Veerabhadrapa.

Syscon Metering Solution Private Limited was incorporated in 2014. The company is engaged in manufacturing electrical meters and IoT (Internet of things). The directors of the company are M. Mallikarjuna Swamy, Kasturi Rangan and A. Ranganatha.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit ratings is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not Applicable.

Other Factors affecting Rating

None

Key Financials:

The rated entity has not shared the latest financial statements despite repeated requests

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Apr 2021	Term Loan	Long Term	1.50	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	7.00	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Proposed Bank Facility	Long Term	0.22	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Working Capital Demand Loan	Long Term	1.18	ACUITE BB+ Stable (Assigned)
05 Feb 2020	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.27	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	1.23	ACUITE BB- Stable (Reaffirmed)

	Bank Guarantee	Short Term	6.00	ACUITE A4+ (Reaffirmed)
01 Feb 2019	Proposed Bank Facility	Long Term	0.61	ACUITE BB- Stable (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	0.89	ACUITE BB- Stable (Assigned)
	Bank Guarantee	Short Term	4.00	ACUITE A4+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Canara Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.22	ACUITE BB Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	31-12-2017	9.20	31-12-2024	1.50	ACUITE BB Downgraded Issuer not co-operating*
Canara Bank	Not Applicable	Working Capital Demand Loan (WC DL)	Not available	Not available	Not available	1.18	ACUITE BB Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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