

Press Release

Mechatronics Systems Private Limited



February 09, 2022

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	29.50	ACUITE BB+ Downgraded Issuer not co-operating*	-
Bank Loan Ratings	45.50	-	ACUITE A4+ Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	75.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

#Refer Annexure for details *The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A3**) on the Rs.40.00 crore bank facilities of MECHATRONICS SYSTEMS PRIVATE LIMITED (MSPL). The rating downgraded is on account of information risk required for review of ratings. The rating is now an indicative rating and is based on the best available information.

About the Company

MSPL is a Pune based integrated water resource management company engaged in providing automation and real time data solutions in areas such as real time hydro meteorological information systems, flood forecasting and flood management systems with dam automation, smart city water supply management among others. MSPL provides solution for water resources, dams, canals, and water-supply projects and primarily deals with government agencies and urban local bodies. MSPL was formed in 1991 as a partnership concern with the name 'Mechatronics'. The firm was reconstituted as private limited company in 1996 and its name was changed to Mechatronics Systems Private Limited (MSPL). MSPL is promoted by Mr. Ashok Karva.

Non-cooperation by the issuer/borrower:

Acuité 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.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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 endeavored 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 rating is based.

About the Rated Entity - Key Financials

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

Rating Sensitivity

"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.

Status of non-cooperation with previous CRA

CARE, vide its press release dated September 07, 2021 had denoted the rating of Mechatronics Systems Private Limited (MSPL) as 'CARE B+/Stable/A4 (Reaffirmed; Issuer Not Cooperating)' on account of lack of adequate information required for monitoring of ratings.

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Jan 2020	Secured Overdraft	Long Term	13.00	ACUITE BBB- Stable (Reaffirmed)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Reaffirmed)
	Secured Overdraft	Long Term	9.50	ACUITE BBB- Stable (Reaffirmed)

	Cash Credit	Long Term	7.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Bank Guarantee	Short Term	29.50	ACUITE A3 (Reaffirmed)
28 May 2019	Proposed Cash Credit	Long Term	10.00	ACUITE BBB- (Issuer not co-operating*)
	Proposed Bank Guarantee	Short Term	32.50	ACUITE A3 (Issuer not co-operating*)
	Secured Overdraft	Long Term	9.50	ACUITE BBB- (Issuer not co-operating*)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BBB- (Issuer not co-operating*)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Issuer not co-operating*)
14 Mar 2018	Secured Overdraft	Long Term	9.50	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	7.00	ACUITE BBB- Stable (Assigned)
	Proposed Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Letter of Credit	Short Term	15.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	1.00	ACUITE A3 (Assigned)
	Proposed Bank Guarantee	Short Term	32.50	ACUITE A3 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
The Akola Urban Co Operative Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3)
The Akola Urban Co Operative Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	7.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Punjab National Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3)
Punjab National Bank	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	9.50	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
The Yavatmal Urban Co-operative Bank Ltd.	Not Applicable	Overdraft	Not Applicable	Not Applicable	Not Applicable	13.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB-)
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	29.50	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3)

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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