

Synechron Technologies Private Limited

January 09, 2019

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Cash credit	(160.00)	(160.00)	[ICRA] A- (stable); withdrawn
Fund-based facilities	160.00	160.00	[ICRA]A1; withdrawn
Non-fund based facilities	(5.00)	(5.00)	[ICRA]A1; withdrawn
Total	160.00	160.00	

*Instrument details are provided in Annexure-1

Rationale

The rating assigned to Synechron Technologies Private Limited (STPL) is withdrawn in accordance with ICRA's policy on withdrawal and suspension, at the request of the firm, and on the basis of the no-objection certificate received from its banker.

Outlook: Not applicable

Key rating drivers

Key rating drivers has not been captured as the rated instruments are being withdrawn.

Liquidity Position:

Liquidity position has not been captured as the rated instruments are being withdrawn.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Rating Methodology for Information Technology (Services) Industry
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company:

STPL is a Pune based company engaged in providing IT services, including application development & maintenance and remote infrastructure management to clients majorly in the United States (USA). STPL majorly caters to BFSI segment with focus on capital markets, mortgage banking, and insurance. It also provides services to digital media, and other business segments to a small extent.

Incorporated in 2001, STPL is a subsidiary of privately owned Synechron Holdings Inc, British Virgin Islands. STPL has three units in Pune with one unit registered as Software Technology Parks of India (STPI) while other two as part of Special Economic Zone (SEZ).

Key financial indicators (audited)

	FY2017	FY2018
Operating Income (Rs. crore)	743.7	862.8
PAT (Rs. crore)	47.7	68.8
OPBDIT/OI (%)	12.0%	13.5%
RoCE (%)	11%	14%
Total Debt/TNW (times)	0.4	0.3
Total Debt/OPBDIT (times)	1.8	1.4
Interest Coverage (times)	13.7	18.4

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the Past 3 Years		
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating	Date & Rating in FY2018	Date & Rating in FY2017	Date & Rating in FY2016
1 Cash credit	Long Term	(160.00)	NA	January 2019 [ICRA]A- (Stable); withdrawn	Jan 2018 [ICRA]A- (Stable)	Nov 16 [ICRA]A- (Stable)	Oct 15 [ICRA]A- (Stable)
2 Fund-based facilities	Short Term	160.00	NA	[ICRA]A1; withdrawn	[ICRA]A1	[ICRA]A1	[ICRA]A1
3 Non-fund based facilities	Short Term	(5.00)	NA	[ICRA]A1; withdrawn	[ICRA]A1	[ICRA]A1	[ICRA]A1

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	(160.00)	[ICRA]A-(Stable); withdrawn
NA	Short-term fund based	NA	NA	NA	160.00	[ICRA]A1; withdrawn
NA	Short-term non-fund based	NA	NA	NA	(5.00)	[ICRA]A1; withdrawn

Source: Synechron Technologies Private Limited

Annexure-2: List of entities considered for consolidated analysis

Not Applicable

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