

October 24, 2019

Matrix Security and Surveillance Private Limited: Moved to Non Cooperating category, Rating downgraded based on best available information

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund Based	18.00	18.00	[ICRA]BB- (Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Stable) and moved to the 'Issuer Not Cooperating' category
Non Fund Based	10.00	10.00	[ICRA]BB-(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Stable) and moved to the 'Issuer Not Cooperating' category
Unallocated	52.00	52.00	[ICRA]BB-(Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Stable) and moved to the 'Issuer Not Cooperating' category
Total	80.00	80.00	

*Issuer did not co-operate; based on best available information.

Rationale

The rating downgrade is because of lack of adequate information regarding Matrix Security and Surveillance Private Limited's performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by the rated entity". 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 entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Matrix Security and Surveillance Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology
Parent/Group Support	Not applicable
Consolidation / Standalone	Standalone

About the company

Incorporated in 2008, MSSPL is promoted by Mr. M.V.S Subba Raju and Mr. K Suya Narayana Raju. It provides a wide range of indoor and outdoor security and surveillance solutions. The company has a wide product range, which includes video surveillance, perimeter detection systems, access control systems and scanning systems. The major clients for the company are Indian Railways, Andhra Pradesh, Telangana and Karnataka police departments, defence establishments and various public sector banks. In Q4 FY2017, MSSPL formed a JV with NCC Limited and won a large order worth Rs. 959 crore from Andhra Pradesh State Fiber Net Limited (APSFL) for installation of new cameras, set up of control rooms and integration of the existing cameras to the new system across 13 districts of Andhra Pradesh.

Key financial indicators: Not available

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018		FY2017
					24-October-2019	31-October-2018	26-July-2017	21-July-2017	-
1	Fund Based Limits	Long Term	18.00	18.00	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-
2	Non Fund Based Limits	Long Term	10.00	10.00	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-
3	Unallocated Limits	Long Term	52.00	52.0	[ICRA]BB-(Stable); ISSUER NOT COOPERATING	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-

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	Fund Based	-	-	-	18.0	[ICRA]BB-(Stable); ISSUER NOT COOPERATING
NA	Non Fund Based	-	-	-	10.0	[ICRA]BB-(Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	52.0	[ICRA]BB-(Stable); ISSUER NOT COOPERATING

Source: MSSPL

Annexure-2: List of companies considered for consolidated analysis

Not applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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