

Press Release

Kumaran Systems Private Limited

April 30, 2021



Rating Update

Total Bank Facilities Rated*	Rs.9.00 Cr. #
Long Term Rating	ACUITE B Issuer not co-operating*

#Refer Annexure for details

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

Acuité has reviewed the long-term rating of '**ACUITE B**' (**read as ACUITE B**) on the Rs.9.00 crore bank facilities of Kumaran Systems Private Limited (KSPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

Incorporated in 1999, KSPL is a Chennai-based software development company that offers technology solutions, high end consulting, system integration, infrastructure management and business process outsourcing to companies like Canadian Imperial Bank of Commerce, Honda North America Inc and Averant National Insurance Company. The company was incorporated by Mr. Kumaran Mangalam Subramaniam, Mr. Mohan Kumar Subramanyan, Mr. Vijaya Sekar Subramanyan and others. The management possesses over a decade of experience in the IT sector.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an 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 Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector Entities- <https://www.acuite.in/view-rating-criteria-50.htm>
- Financial Ratios and Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>

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.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

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

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
17 Feb, 2020	Cash Credit	Long term	5.00	ACUITE B Issuer not co-operating*
	Term Loan	Long term	2.50	ACUITE B Issuer not co-operating*
	Proposed Cash Credit	Long term	1.50	ACUITE B Issuer not co-operating*
06 Dec, 2018	Cash Credit	Long term	5.00	ACUITE B Issuer not co-operating*
	Term Loan	Long term	2.50	ACUITE B Issuer not co-operating*
	Proposed Cash Credit	Long term	1.50	ACUITE B Issuer not co-operating*
18 Oct, 2017	Cash Credit	Long term	5.00	ACUITE B/ Stable (Upgraded)
	Term Loan	Long term	2.50	ACUITE B/ Stable (Upgraded)
	Proposed Cash Credit	Long term	1.50	ACUITE B/ Stable (Upgraded)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE B Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	2.50	ACUITE B Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*

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

Contacts

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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 8,616 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 Mumbai.

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