



**Press Release**  
**Quadsel Systems Private Limited**  
**July 31, 2024**

**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.03	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	6.74	ACUITE D   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	2.00	-	ACUITE D   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	9.77	-	-

**Rating Rationale**

Acuite has downgraded the long-term rating to '**ACUITE D**' (read as **ACUIDTE D**) from '**ACUITE B-**' (read as **ACUITE B Minus**) on Rs. 6.74 crore bank facilities of Quadsel systems private limited.

Acuite has downgraded the long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE B-**' (read as **ACUITE B Minus**) for the proposed facilities on Rs. 1.03 Crore bank facilities of Quadsel systems private limited.

Acuite has downgraded the short-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE A4**' (read as **ACUITE A Four**) on the Rs.2.00 Crore bank facilities of Quadsel Systems Private Limited.

The rating continues to be flagged as "Issuer Not Co-operating" and is based on the best available information.

The downgrade is based on recent delays in debt servicing being reflected in the Credit Information Bureau Report and other publicly available information.

**About the Company**

Quadsel Systems Private Limited (QSPL) is a Chennai (Tamil nadu) based company which was incorporated in the year 1995 by Mr. Girish Madhavan. QSPL is engaged in the business of IT Infrastructure services, managed IT Services and Annual Maintenance Contracts (AMC) and other provides IT-related system integration solutions. Further, it is acting as a commission agent for selling computers and hardware software development.

**Unsupported Rating**

Not Applicable

**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 noncooperation 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 Acuité's policies

#### **Limitation regarding information availability:**

The rating is based on information available from sources other than 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.

#### **Rating Sensitivity**

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

#### **Liquidity Position**

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

#### **Outlook: Not Applicable**

#### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	6.13	6.34
PAT	Rs. Cr.	(0.08)	(0.05)
PAT Margin	(%)	(1.32)	(0.81)
Total Debt/Tangible Net Worth	Times	3.42	3.71
PBDIT/Interest	Times	1.22	1.21

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

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

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 May 2023	Letter of Credit	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	3.60	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.74	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.74	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Working Capital Demand Loan (WCDL)	Long Term	0.66	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.03	ACUITE B- (Reaffirmed & Issuer not co-operating*)
23 Feb 2022	Cash Credit	Long Term	3.60	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.74	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	0.74	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Working Capital Demand Loan (WCDL)	Long Term	0.66	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Proposed Long Term Bank Facility	Long Term	1.03	ACUITE B- (Reaffirmed & Issuer not co-operating*)
	Letter of Credit	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Bank Guarantee/Letter of Guarantee	Short Term	1.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
UCO Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.00	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE A4 )
UCO Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.60	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE B- )
UCO Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.00	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE A4 )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.03	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE B- )
UCO Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.74	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE B- )
UCO Bank	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.74	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE B- )
UCO Bank	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.66	ACUITE D   Downgraded   Issuer not co-operating* ( from ACUITE B- )

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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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