

Press Release

Vsoft Technologies Private Limited

April 19, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	22.10	-	ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	32.90	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	55.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B Plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUTE A3+**' (read as **ACUITE A three plus**) on the Rs. 55.00 crore bank facilities of Vsoft Technologies Private Limited (VTPL). The rating is flagged as "Issuer Not-Cooperating" due to non-submission of relevant information by the company for carrying out the rating review, leading to information risk.

About the Company

Incorporated in 2004, Vsoft Technologies Private Limited (VTPL) is a Hyderabad (Telangana) based company, promoted by Mr. Murthy Veeraghanta. VTPL is engaged in providing Information technology (IT) and Information technology enabled services (ITes) primarily to banking, financial services and insurance sector (BFSI). It offers wide range of technology products and services along with platformbased BPO services which cover payment systems and core banking solutions.

About the Group

VSoft Corporation was incorporated in January 1996. The Company develops, sells, and implements software packages and innovative solutions, serving customers primarily in the financial services industry within the United States of America.

Non-cooperation by the issuer/borrower

Acuite 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.

Acuite 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 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.

Rating Sensitivities

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

Material Covenants

Not applicable.

Liquidity Position

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

Outlook

Not applicable.

Key Financials:

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

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Jan 2021	Proposed Cash Credit	Long Term	5.00	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	12.00	ACUITE BBB Stable (Assigned)
	Working Capital Demand Loan	Long Term	3.00	ACUITE BBB Stable (Assigned)
	Standby Line of Credit	Long Term	4.90	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BBB Stable (Assigned)
	Proposed Bank Guarantee	Short Term	10.10	ACUITE A3+ (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A3+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
HDFC Bank Ltd	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	4.90	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not Applicable	Foreign Currency Term Loan	02-01-2020	Not available	30-06-2025	12.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
Not Applicable	Not Applicable	Proposed Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	10.10	ACUITE A4+ Downgraded Issuer not co-operating* (from ACUITE A3+)
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.00	ACUITE BB+ Downgraded Issuer not co-operating* (from ACUITE BBB)
HDFC Bank Ltd	Not Applicable	Working Capital Demand Loan (WCDL)	Not available	Not available	Not available	3.00	ACUITE BB+ Downgraded Issuer not co-

							operating* (from ACUTE BBB)
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Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Aruna Ganesh Analyst-Rating Operations Tel: 022-49294065 aruna.ganesh@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

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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