



Press Release

Chain-Sys Software Exports Private Limited

July 05, 2024

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	32.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	32.00	-	-

Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE B+**' (read as **ACUITE B Plus**) from '**ACUITE BB-**' (read as **ACUITE Double B Minus**) on the Rs.32.00 crore bank facilities of Chain-SYS Software Exports Private Limited (CSEPL). This rating is now an indicative rating and is based on best available information. The rating has been downgraded on account of information risk and the company has not provided latest NDS for last 3 months consecutively.

About the Company

Incorporated in 2009, Chain-Sys Software Exports Private Limited is headquartered in Chennai, Tamil Nadu. The company is a subsidiary of M/s Chainsys Corporation, USA, which holds 99% of the shareholding of this company. It is promoted by Mr. Rathinam Maragatham and Mr. Sangli Rathinam, who have more than twenty years' experience in the IT industry. The company provides services in Oracle Data Migration, Enterprise Data Management, Data Security, SAP Data Migration, Master Data Management, Data Masking, Setup Migration, Data Cataloging, Application Builder, Data Reconciliation, Data Analytics, Data Factory, Data Integration, BPA/QA Automation, Data Archival, Data Quality, and Mass Data Loading.

Unsupported Rating

Not Applicable

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. 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 therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite'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.

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.	42.48	32.38
PAT	Rs. Cr.	1.21	0.42
PAT Margin	(%)	2.86	1.29
Total Debt/Tangible Net Worth	Times	0.00	0.10
PBDIT/Interest	Times	123.59	86.76

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 May 2023	Term Loan	Long Term	31.75	ACUITE BB- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	0.25	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.25	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)
Union Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	16 Feb 2033	Simple	31.75	ACUITE B+ Downgraded Issuer not co-operating* (from ACUITE BB-)

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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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