Press Release

Tipsons Consultancy Services Private Limited (TCSPL)

June 18, 2018

Rating Update

Total Bank Facilities Rated*	Rs. 50.00 Cr.#
Long Term Rating	ACUITE BBB Issuer not co-operating*

#Refer Annexure for details
**The issuer did not co-operate; based on best available information.*

Rating Rationale

Acuité has reviewed the long-term rating of **'ACUITE BBB' (read as ACUITE triple B)** on the Rs. 50.00 crore bank facilities of Tipsons Consultancy Services Private Limited (TCSPL). This rating is now an indicative rating and is based on best available information.

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 due date.

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-17.htm
- Criteria for Rating of Banks and Financial Institutions: https://www.acuite.in/view-rating-criteria-12.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 endeavoured 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.

About the Rated Entity:
Tipsons Consultancy Services Private Limited (TCSPL) established in 2010 is the merchant banking arm of the Tipson group. The group includes Tipsons Financial Services Private Limited (Rated SMERA A2), True Value Share Broker Ltd, and True Value Commodities Pvt Ltd. The company is a SEBI registered category I Merchant banker, Issue Manager and Underwriter and is engaged in the private placement of debt issuances. The company assists corporates in mobilising funds from the capital market via debt securities, equity and other instruments. It also provides consultancy and advisory services for business valuations, mergers and acquisitions among others.

TCSPL reported Profit After Tax (PAT) of Rs 1.67 cr on total income of Rs 4.20 cr in FY2015-16 compared to PAT of Rs 1.76 cr on total income of Rs 3.85 cr in FY2014-15. The total income in FY2015- 16 comprises net interest income of Rs 1.02 cr (Rs 0.97 cr in FY2014-15), net investment income of Rs 0.02 cr (Rs 0.16 cr in FY2014-15), arrangement fees of Rs 2.95 cr (Rs 2.43 cr in FY2014-15) and Rs 0.21 cr (Rs 0.29 cr in FY2014-15) as consultancy fees.

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 (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
23rd Mar 17	Working Capital Demand Loan	Long term	50.00	ACUITE BBB/Stable (Assigned)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BBB 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 *(Erstwhile SMERA Ratings 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 6,000 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.