

Press Release

Tipsons Consultancy Services Private Limited

January 09, 2020



Rating Update

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Long Term Rating	ACUITE BBB Withdrawn; Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has withdrawn the long term rating of '**ACUITE BBB** (read as ACUITE triple B) on the Rs. 50.00 crore bank facilities of Tipsons Consultancy Services Private Limited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 This rating is now withdrawn, indicative and is based on best available information.

Tipsons Consultancy Services Private Limited (TCPL), established in 2010, is merchant banking arm of the Tipson Group. The group includes Tipsons Financial Services Private Limited, True Value Share Broker Limited and True Value Commodities Private Limited. 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.

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.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Criteria for Rating of Banks and Financial Institutions - <https://www.acuite.in/view-rating-criteria-45.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.

About the Rated Entity - Key Financials

Particulars	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Crore	7.41	10.54
Profit after tax (PAT)	Rs. Crore	-2.85	1.23
PAT margin	%	-38.40	11.72
Total debt / Tangible Net worth	Times	3.63	0.02
PBDIT / Interest	Times	-1.66	6.22

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

Not Applicable

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
9 September, 2019	Working Capital Demand Loan	Long Term	50.00	ACUITE BBB Issuer not co-operating*
18 June, 2018	Working Capital Demand Loan	Long Term	50.00	ACUITE BBB Issuer not co-operating*
23 March, 2017	Working Capital Demand Loan	Long Term	50.00	ACUITE BBB/Stable (Assigned)

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

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BBB Withdrawn; 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.

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