

July 30, 2021 Revised

Terrier Security Services (India) Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount(Rs. crore)	Rating Action
Long Term – Fund based/CC	20.00	20.00	[ICRA]AA(CE) (Stable); Withdrawn
Short Term – Non-Fund Based	2.00	2.00	[ICRA]A1+(CE); Withdrawn
Total	22.00	22.00	

*Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Terrier Security Services (India) Private Limited at the request of the company and based on the loan closure and NOC (no objection certificate) email provided by the banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key rating drivers, Liquidity position, Rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Approach for rating debt instruments backed by third-party explicit support
Parent/Group Support	Parent/Group Company: Qess Corp Limited (rated [ICRA]AA (Stable))/[ICRA]A1+ The assigned rating is based on an unconditional, irrevocable corporate guarantee extended by QCL
Consolidation/Standalone	ICRA has evaluated the standalone operational and financial profile of QDigi Services Limited. The rating is based on the strength of the corporate guarantee provided by QCL for the borrowings of the company.

About the company

Incorporated in 2009, Terrier Security Services (India) Private Limited (TSSIPL) is engaged in the business of security (manned guarding), electronic security & surveillance, investigation & verification services & training of guarding personnel. During FY2019 derived 97% of its revenues form manned guarding services, 1.6% of the revenues from electronic security & surveillance, 1.0% of the revenues from training of guarding personnel and 0.4% of the revenues from investigation & verification services. TSSIPL derives majority of its revenues some south India, where it has strong foothold and is continuously working on increasing its presence across the country.

About the Guarantor

Quess Corp Limited (QCL) offers end-to-end business solutions like general staffing, professional staffing, technology staffing, IT products and solutions, skill development, payroll, compliance management, integrated facility management and industrial asset management services to corporate clients operating across sectors. By dealing with QCL, clients have the flexibility to maintain a large employee base throughout the year, thereby allowing them to save on unwanted manpower costs during the off-season and outsource their non-core activities. In February 2018, QCL acquired a 100% stake in Monster Worldwide's entities in India, Singapore, Hong Kong and Malaysia. These entities have operations across India, Singapore, Malaysia, the Philippines, Hong Kong, Vietnam, Thailand, Indonesia, the UAE and the Kingdom of Saudi Arabia and currently operates the same under the internet business segment. QCL currently operates under three major segments – Workforce Management, Global Technology Solutions and Operating Asset Management.

QCL was incorporated in October 2007 in Bengaluru and is promoted by Mr. Ajit Isaac. The company received an initial round of private equity funding in February 2008 wherein India Equity Partners (IEP) acquired a stake in QCL for an investment of Rs. 21.3 crore. In May 2013, Thomas Cook (India) Limited (TCIL), India's largest integrated travel company, acquired a 74.85% stake in QCL for a consideration of Rs. 256 crore. IEP had also exited QCL by selling its shares to TCIL as a part of this deal. In FY2020, QCL was demerged from TCIL resulting in Fairfax currently holding a 32.29% stake in QCL.

QCL has acquired companies engaged in a variety of businesses over the last few years and currently operates various joint ventures and subsidiaries. On a consolidated basis, the company currently has ~3,30,000+ associate employees under payrolls providing services to ~3,000+ clients across 10 countries. QCL provides services to clients operating in domains such as retail, information technology (IT), IT enabled services (ITeS), consumer durables, telecom, pharmaceuticals, entertainment, FMCG, etc. Headquartered in Bengaluru, QCL operates through 65 offices located in various parts of the world.

Key financial indicators (audited)

Standalone	FY2020	FY2021
Operating Income (Rs. crore)	511.4	406.8
PAT (Rs. crore)	-14.9	1.1
OPBDIT/OI (%)	-2.0%	3.9%
PAT/OI (%)	-2.9%	0.3%
Total Outside Liabilities/Tangible Net Worth (times)	6.8	4.1
Total Debt/OPBDIT (times)	-5.7	1.1
Interest Coverage (times)	-1.6	5.2

Source: Company, ICRA research; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; Note: Amount in Rs. crore;

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding as of Jun 30, 2021 (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019	
					Jul 30, 2021				
1	Fund based/CC	Long-term	20.0	-	[ICRA]AA(CE) (Stable); withdrawn	[ICRA]AA(CE) (Stable)	-	-	-
2	Non-Fund based facilities	Short term	2.0	--	[ICRA]A1+(CE); withdrawn	[ICRA]A1+(CE)	-	-	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term – Fund based/CC	Simple
Short Term – Non-Fund Based	Very simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No/Banker Name	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund based/ CC	NA	NA	NA	20.00	[ICRA]AA(CE) (Stable); withdrawn
NA	Non-Fund Based	NA	NA	NA	2.00	[ICRA]A1+(CE); withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
NA	NA	NA

Source: Annual report

Corrigendum

Document dated July 30, 2021 has been corrected with the revision as detailed below:

Revision on page number 2, under Rating history for last three years: The dates for the previous rating actions in FY2021 was mentioned as April 06, 2021. However, the same has been revised to April 06, 2020.

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Branches



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