

Allsec Technologies Limited

April 29, 2019

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based	4.00	4.00	[ICRA]BBB%; Placed on rating watch with positive implications
Short-term – Non-fund based	7.00	7.00	[ICRA]A3+%; Placed on rating watch with positive implications
Total	11.00	11.00	

% - under rating watch with positive implications

Material Event

On April 17, 2019, Allsec Technologies Limited (Allsec) announced that Conneqt Business Solutions Limited (rated [ICRA]A+ (Stable)/[ICRA]A1+), a subsidiary of Qess Corp Limited (rated [ICRA]AA (Stable)/[ICRA]A1+) has signed definitive agreements to acquire a majority stake in Allsec. The transaction involves Conneqt Business Solutions Limited purchasing 35.35% from the promoters, 26% from First Carlyle Ventures Mauritius, thereby acquiring a majority control of 61.35%. In accordance with SEBI Regulations, Conneqt Business Solutions Limited will make an open offer to the public shareholders of Allsec to purchase up to 26% of shareholding. The transaction is conditional to the fulfilment of customary closing conditions and required statutory approvals.

Impact of the Material Event

ICRA has taken note of the above event and believes that successful completion of acquisition of Allsec's majority share by Conneqt Business Solutions Limited, will benefit Allsec by virtue of strong operational and financial profile of its new parent entity. Hence, ICRA has placed Allsec's long-term rating of [ICRA]BBB (pronounced ICRA triple B) and short-term rating of [ICRA]A3+ (pronounced ICRA A three plus) on 'watch with positive implications'. ICRA will continue to monitor the developments with respect to completion of the majority stake acquisition by Conneqt Business Solutions Limited and resulting benefits that Allsec may derive from its new parent.

The previous detailed rating rationale is available on the following link: [Click here](#)

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