

April 03, 2024

ASM Technologies Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term fund-based – Cash credit	23.64	23.64	[ICRA]BB+ (Stable); withdrawn
Short-term – Interchangeable [^]	(23.64)	(23.64)	[ICRA]A4+; withdrawn
Total	23.64	23.64	

*Instrument details are provided in Annexure I, [^] The short-term interchangeable limits are sub-limits of the cash credit limits

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **ASM Technologies Limited (ASM/ the company)** at the request of the company and based on the No Objection Certificate (NOC) received from its lender, and in accordance with ICRA's policy on withdrawal. 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position, Rating sensitivities and Key financial indicators have not been captured as the rated instruments are being withdrawn.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 Rating Methodology - IT Software & Services
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of ASM.

About the company

Incorporated in 1992, ASM Technologies Limited is an IT company that provides consulting and product development services in engineering and product R&D. Its services include prototyping, testing and pilot production; value engineering; hardware and software designing of embedded systems; design and development of networking, wireless and cloud security products; product lifecycle and sustenance management; and test automation services, among others. ASM is in the process of expanding its service offerings and has recently forayed into Virtual Reality (VR), Internet of Things (IoT) and open edX platform management.

It caters to diverse industries such as semiconductor, hi-tech, medical equipment, automotive and aerospace, enterprising storage and networking, and consumer electronics. Headquartered in Bangalore, the company has about 1,195 employees providing onsite as well as offsite support services to its clients in the US. The company has a global presence across India, the US, Singapore, the UK, Canada, Mexico and Japan.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2025)				Chronology of rating history for the past 3 years				
	Type	Amount rated (Rs. crore)	Amount outstanding as of Sep 30, 2023 (Rs. crore)	Date & rating in FY2025	Date & rating in FY2024			Date & rating in FY2023	Date & rating in FY2022
				Apr 03, 2024	Feb 23, 2024	Jul 27, 2023	Jun 08, 2023	Sep 29, 2022	Sep 21, 2021
1 Cash Credit	Long term	23.64	--	[ICRA]BB+ (Stable); Withdrawn	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)
2 Interchangeable	Short term	(23.64)	--	[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A3	[ICRA]A3+	[ICRA]A3+	[ICRA]A3+
3 Unallocated	Long term	-	--	--	--	--	--	--	--

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term - Cash credit	Simple
Short term – Interchangeable [^]	Simple

[^] The short-term interchangeable limits are sub-limits of the cash credit limits

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 analysing 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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term fund-based – Cash credit	NA	NA	NA	23.64	[ICRA]BB+ (Stable); withdrawn
NA	Short term – Interchangeable*	NA	NA	NA	(23.64)	[ICRA]A4+; withdrawn

Source: Company, * sub-limits of the cash credit limits

Annexure II: List of entities considered for consolidated analysis:

Company Name	ASM Ownership	Consolidation Approach
Subsidiary		
ASM Digital Technologies Inc.	100.0%	Full Consolidation
ASM Digital Technologies Pte Ltd.	100.0%	Full Consolidation
ASM Technologies KK – JAPAN	100.0%	Full Consolidation
RV Forms & Gears LLP	70.0%	Full Consolidation
ASM Digital Engineering Private Limited	100.0%	Full Consolidation
ASM Engineering Pvt. Ltd.	100.0%	Full Consolidation
Step-down Subsidiary		
ASM Digital Technologies Co Limited - Thailand	100.0%	Full Consolidation
ASM Digital Engineering Pvt. Ltd.	100.0%	Full Consolidation
Joint Venture		
ASM HHV Engineering Private Limited	50.0%	Equity Method

Source: Company. As on December 31, 2023.

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About ICRA Limited:

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Branches



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