

March 04, 2020

Allsec Technologies Limited: Ratings Withdrawn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Long term- Fund- Based	4.00	4.00	[ICRA]BBB+(Stable); Withdrawn
Short term- Non-Fund Based	7.00	7.00	[ICRA]A2; Withdrawn
Total	11.00	11.00	

*Instrument details are provided in [Annexure-1](#)

Rationale

The long-term rating is withdrawn in accordance with ICRA's policy on withdrawal and suspension, as desired by Allsec Technologies Limited and based on the no due certificate provided by its banker. ICRA does not have any information to suggest that the credit risk has changed since the time the rating was last reviewed.

Key rating drivers and their description

The key rating drivers have not been captured as the rated instrument(s) are being withdrawn.

Liquidity position: Liquidity position has not been captured as the rated instruments are being withdrawn.

Rating sensitivities: Rating sensitivities have not been captured as the rated instruments are being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Synergies and Support from the company's parent - Conneqt Business Solutions Private Limited, and Qess Corp Limited is considered for assigning the rating
Consolidation/Standalone	The rating is based on consolidated financial statements financial statements of the company along with its subsidiaries - Allsectech Inc, USA, Allsectech Manila Inc, Philippines, Retreat Capital Management Inc, USA

About the company

Allsec Technologies Limited, incorporated in 1998, began as an integrated contact centre for businesses intending to outsource their support processes. With near two decades of experience, the company has expanded with acquisitions

across geographies and has extended its expertise to a wide gamut of processes that augment and support businesses. It is one of the leading providers of outsourced solutions in customer engagement, human resource operations, sales and retention and quality assurance for businesses across varied industries. Besides, the company also provides anti-money laundering and compliance services, with banks as its target segment. The company currently has three wholly-owned subsidiaries namely Allsectech Inc, USA, Allsectech Manila Inc., Philippines and www.icra.in

Retreat Capital Management Inc, USA. ATL's shares are listed in both BSE & NSE. ATL is a subsidiary of Conneqt Business Solutions Limited

Key financial indicators (audited) – Consolidated

	FY2018	FY2019
Operating Income (Rs. crore)	324.96	261.16
PAT (Rs. crore)	59.52	15.67
OPBDIT/OI (%)	18.86%	15.21%
RoCE (%)	35.65%	13.73%
Total Outside Liabilities/Tangible Net Worth (times)	0.12	0.06
Total Debt/OPBDIT (times)	0.02	0.02
Interest Coverage (times)	185.70	81.06
DSCR	84.38	43.45

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

S. No.	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years				
		Type	Amount Rated (Rs.crore)	Amount Outstanding (Rs.crore)	Date & Rating			Date & Rating in FY2019	Date & Rating in FY2018	Date & Rating in FY2017
					04-March-2020	1-Nov-2019	29-Apr-2019			
1	Fund Based	Long Term	4.00	-	[ICRA]BBB+ (Stable); Withdrawn	[ICRA]BBB+ (Stable)	[ICRA]BBB%	[ICRA]BBB (Stable)	[ICRA]BBB (Stable)	-
2	Non Fund Based	Short Term	7.00	-	[ICRA]A2; Withdrawn	[ICRA]A2	[ICRA]A3+%	[ICRA]A3+	[ICRA]A3+	-

% - under rating watch with positive implication

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund Based	NA	NA	NA	4.00	[ICRA]BBB+(Stable); Withdrawn
NA	Non Fund Based	NA	NA	NA	7.00	[ICRA]A2; Withdrawn

Source: Allsec Technologies Limited

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Allsectech Inc, USA	100.00%	Full Consolidation
Allsectech Manila Inc, Philippines	100.00%	Full Consolidation
Retreat Capital Management Inc, USA	100.00%	Full Consolidation

Analyst Contacts

Ravichandran K
+91 44 4596 4301
ravichandran@icraindia.com

Srinivasan R
+91 44 4596 4315
r.srinivasan@icraindia.com

Rathina Pradeep R
+91 44 4297 4307
rathina.r@icraindia.com

Relationship Contact

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2020 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents