



## Press Release

### All Services Global Private Limited

April 05, 2022

#### Ratings:

(INR Crore)

Instrument / Facility	Amount	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Fund Based Bank Facilities – Term Loans	37.78	IVR BBB-/ Stable (IVR Triple B minus with Stable Outlook)	Assigned	Simple
Long Term Fund Based Bank Facilities – Cash Credit	35.00	IVR BBB-/ Stable (IVR Triple B minus with Stable Outlook)	Assigned	Simple
Short Term Non-Fund Based Facilities – Bank Guarantee	41.74	IVR A3 (IVR A Three)	Assigned	Simple
Proposed Long Term Fund Based Facility – Cash Credit	10.48	IVR BBB-/ Stable (IVR Triple B minus with Stable Outlook)	Assigned	Simple
<b>Total</b>	<b>125.00</b>			

#### Details of Facilities are in Annexure 1

#### Detailed Rationale:

The ratings assigned to the bank facilities of All Services Global Private Limited derive strength from its experienced management and established track record of operation, healthy relationships with clientele, and Moderate financial risk profile, However, the rating strengths are partially offset by tender based nature of operations, dependence on availability of requisite manpower and highly fragmented & competitive nature of Facility Management sector.



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### Key Rating Sensitivities:

#### Upward Factors:

- Substantial & sustained improvement in the revenue & EBITDA margin while improving the debt protection metrics with efficient working capital management.

#### Downward Factors:

- Any further decline in revenue and/or EBITDA margin leading to decline in debt protection metrics

### Key Rating Drivers with detailed description

#### Key Rating Strengths:

##### Experienced management and established track record of operation:

All Services Global Private Limited (ASG) was incorporated 1990 by Mr. Suresh Varma and Ms. Sonal Chitroda who are promoters of the company. The company benefits from the extensive experience of its promoters and the Group's established presence, three decades of long experience, in the facility management industry, which helps in procuring repeat orders from established customers.

##### Healthy relationships with clientele:

ASL successful track record coupled with its diverse service offerings and pan India presence have helped it in establishing a wide customer base includes the entities such as, Indian Railways, Andhra Pradesh Hospitals and Mumbai Metro etc resulting repeat business.

##### Moderate financial risk profile:

Financial risk profile is marked by Moderate net worth, comfortable capital structure and adequate debt protection metrics. Net worth remains healthy at Rs. 108.60 Cr as on March 31, 2021. With accretion of around Rs. 8-12 Cr every year, net worth is expected to be around Rs. 130-140 Cr over the medium term. Capital structure remains comfortable with gearing of 1.08 times as on March 31, 2021. With no major debt funded capex plans and healthy build-up of net worth, gearing is expected to be around 0.88 times for FY22. Debt protection metrics remain adequate with interest cover of around 3.04 times. Debt protection metrics are expected to remain comfortable over the medium term.



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### **Key Rating Weaknesses:**

#### **Tender based nature of operations:**

The company's operations are tender based. The company deals with government entities and bids for contracts. The tender based business model may restrict pricing power and profitability. However, the risk is mitigated due to the long track record of operations and experienced management.

#### **Dependence on availability of requisite manpower:**

The company caters to a wide customer base with a workforce of more than 8000 personnel. The need to train security personnel is imperative due to specialized nature of the job and managing attrition is equally critical as a higher rate may lead to an increase in the training costs. The company hires through referrals, advertising, Walk ins, and placement agencies. It provides training to the new recruits enabling them to perform their duties.

#### **Highly fragmented & competitive nature of Facility Management sector:**

The domestic facility management sector is highly competitive with presence of many players with varied statures & capabilities. Further, the tender based nature of majority projects also augments the competition. Procuring of sizable ticket size and tenure contracts at remunerative price levels along while an optimum utilisation of manpower resources remains crucial for maintaining adequate profitability in the hospitality and the facility management business.

#### **Analytical Approach:** Consolidated

Infomerics Ratings has consolidated the business and financial risk profile of All Services Global Private Limited and A1 Facility and Property Managers Pvt Ltd (A1 Facility), together referred to as the A1 group. This is because A1 Facility is a 100% subsidiary of ASG, both the entities are in the same business, and they have high operational and financial linkages.

#### **Applicable Criteria:**

Rating Methodology for [Manufacturing Companies](#).

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#).



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### Liquidity: Adequate

The liquidity of the company is adequate with current ratio at 1.56x as on 31<sup>st</sup> March 2021. The company has recorded healthy Cash Accruals and the same is expected to increase with increase in scale of operations and level of margin. Healthy cash accruals post repayment of principal provides enough liquidity cushion for the company for any incremental working capital requirement; Further improving working capital cycle provides adequate liquidity position for the company.

### About the Company:

Mumbai based All Services Global Private Limited was established in 1991. The company is involved in providing integrated facility management services such as hospitality, commercial cleaning, building maintenance, hospital support, corporate support, industrial laundry, skill development and training. The company is promoted by Mr. Mukesh Verma and Ms Sonal Chitroda. A1 Facility and Property Managers Pvt Ltd Incorporated in 2007, is a wholly owned subsidiary of All Services Global Pvt Ltd, which is also involved in a similar line of business.

### Financials: Consolidated

(INR Crore)

For the year ended/ As On	31-03-2020	31-03-2021
	(Audited)	(Audited)
Total Operating Income	316.23	307.58
EBITDA	34.61	33.12
PAT	21.06	19.36
Total Debt	106.35	117.53
Adjusted Tangible Net-worth	92.48	108.60
<b>Ratios</b>		
EBITDA Margin (%)	10.94	10.77
PAT Margin (%)	6.60	6.25
Overall Gearing Ratio* (x)	1.15	1.08

### Financials: Standalone

(INR Crore)

For the year ended/ As On	31-03-2020	31-03-2021
	(Audited)	(Audited)
Total Operating Income	194.33	164.50
EBITDA	23.36	20.76
PAT	11.29	9.75
Total Debt	74.34	79.98
Adjusted Tangible Net-worth	72.38	81.20
<b>Ratios</b>		



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EBITDA Margin (%)	12.02	12.62
PAT Margin (%)	5.75	5.87
Overall Gearing Ratio* (x)	1.03	0.98

**Status of non-cooperation with previous CRA: Nil**

**Any other information: NA**

**Rating History for last three years:**

(INR Crore)

Sr. No.	Name of Instrument/Facilities	Current Ratings (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding	Rating	Date(s) & Rating(s) assigned in 20-21	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Long Term Fund Based Bank Facilities – Term Loans	Long Term	37.78	IVR BBB-/ Stable	--	--	--
2	Long Term Fund Based Bank Facilities – Cash Credit	Long Term	35.00	IVR BBB-/ Stable	--	--	--
3	Short Term Non-Fund Based Facilities – Bank Guarantee	Short Term	41.74	IVR A3	--	--	--
3	Proposed Long Term Fund Based Facility – Cash Credit	Long Term	10.48	IVR BBB-/ Stable	--	--	--



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### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Details of Facilities:

(INR Crore)

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility	Rating Assigned/ Outlook
Long Term Fund Based Bank Facilities – Term Loans	--	--	--	37.78	IVR BBB-/ Stable
Proposed Long Term Fund Based Facility – Cash Credit	--	--	--	35.00	IVR BBB-/ Stable
Short Term Non-Fund Based Facilities – Bank Guarantee	--	--	--	41.74	IVR A3
Proposed Long Term Fund Based Facility – Cash Credit	--	--	--	10.48	IVR BBB-/ Stable

### Annexure 2: List of companies considered for consolidated analysis:

Name of the Company	Consolidated Approach
All Services Global Private Limited (ASG)	Full*
A1 facility and Property Managers Private Limited	Full*

### Annexure 3: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/All-Services-lenders-apr22.pdf>

### Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at <https://www.infomerics.com/>.