



Rating Rationale

Robosoft Technologies Pvt Ltd

19th June 2017

Brickwork Ratings has reaffirmed the ratings for the Bank Loan Facilities of Rs. 12.54 Crs of Robosoft Technologies Pvt Ltd.

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating *	
	Previous	Present		Previous	Present
Fund Based Cash Credit	8.00	8.00	Long Term	BWR B+ Outlook: Stable (Pronounced as BWR Single B Plus)	BWR B+ Outlook: Stable (Pronounced as BWR Single B Plus)
Fund Based Term Loan	1.08	3.84			
Fund Based Demand Promissory Note	1.94	0.70			
Non-Fund Based Bank Guarantee	0.50	(0.50)	Short Term	BWR A4 (Pronounced as BWR A Four)	BWR A4 (Pronounced as BWR A Four)
Total	11.52	12.54	Rs. 12.54 Crores (Rupees Twelve Crores and Fifty Four Lakhs Only.)		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed:

Brickwork Ratings (BWR) has reaffirmed rating for Bank Loan Facilities of Rs. 12.54 Crs of Robosoft Technologies Pvt Ltd ('RTPL' or 'the company').

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has essentially relied upon the audited financial results of the company up to FY16, provisional financial FY17, projected financial upto FY18 and publicly available information and information/clarifications provided by the management.

The rating has factored in inter-alia, the promoters experience in software industry, healthy net worth, reputed investors and established clients in domestic and international market. However, the ratings are constrained by modest scale of operations, intense competition in the IT services industry and losses incurred in FY14, FY15 and FY16.

Going forward, the ability of the company to increase its scale of operations while improving its profit margins to sustain competition and effective working capital management would be key rating sensitivities.



Rating Outlook: Stable

BWR believes the **Robosoft Technologies Pvt Ltd's** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Robosoft Technologies Pvt Ltd was incorporated in October, 2000 by Mr. Rohit Bhat in Udupi, Karnataka. It has a wholly owned subsidiary named Robosoft Technologies Inc, which is based out of the United States of America. The company is engaged in providing software development services for building application for mobile phones on three main platforms- iOS, Android and Windows.

Financial Performance

As per audited financial statement of FY16, the company has reported net sales/revenue of Rs. 42.82 Crs and net loss of Rs. 0.57 crs against net sales/revenue of Rs. 32.46 crs and net loss of Rs.0.91 Crs in FY15.

Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
1	Fund Based Cash Credit	Long Term	8.00	BWR B+ Outlook: Stable (Pronounced as BWR Single B Plus)	BWR B+ Outlook: Stable (Pronounced as BWR Single B Plus)	-	-
	Fund Based Term Loan		3.84			-	-
	Fund Based Demand Promissory Note	Short Term	0.70			-	-
	Non-Fund Based Bank Guarantee		(0.50)			BWR A4 (Pronounced as BWR A Four)	BWR A4 (Pronounced as BWR A Four)



Status of non-cooperation with previous CRA - Not Applicable
Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Service Sector](#)
- [Approach to Financial Ratios](#)
- [Short Term Debt](#)

Analytical Contacts	Media
Ms Vipula Sharma Deputy General Manager - Ratings analyst@brickworkratings.com	media@brickworkratings.com
	Relationship Contact
	bd@brickworkratings.com
Phone: 1-860-425-2742	

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.