Rating Rationale

Rooman Technologies Pvt. Ltd. **29 Mar 2019**

Brickwork Ratings assigns the ratings for the Bank Loan Facilities of ₹.10.00 Crores of Rooman Technologies Pvt. Ltd.

Particulars

Facility	Amount (₹ Crs)	Tenure	Rating*
Fund based	**6.00**	**Long Term**	**BWR BB** (*Pronounced as Double B)* Outlook: **Stable**
Non Fund Based	**4.00**	**Short Term**	**BWR A4** *(Pronounced as BWR A four*)
Total	**10.00**	**INR Ten Crores Only**	

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

Rating under Credit Watch with Developing implications

Rationale/Description of Key Rating Drivers/Rating sensitivities:
The rating assigned to the bank facilities of **Rooman Technologies Pvt. Ltd.** The Company draws strength with a rise in the scale of operation and revenue growth along with the moderate experience of senior management in the IT industry. The IT industry which is driven by the rapid enhancement in technology

Credit Strength:

- ROOMAN has Trained and Placed more than 2,00,000 students in small to large Organisation and MNCs including Microsoft, Cisco, HP, Wipro, Datacraft, IBM, Accenture, Dell etc. at both induction and senior levels.
- Rooman has tie-ups with 400+ Industries, Corporates and State Level Agencies.
- Indian IT's core competencies and strengths have placed it on the international canvas, attracting investments from major countries.

Credit risks:

- Rise in the level of attrition rates among IT and ITES workers.
- The cost of telecom and network infrastructure is much higher in India than in the US

Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Rating Outlook: *Stable*

BWR believes the **Rooman Technologies Pvt. Ltd.** 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

ROOMAN is the pioneer in Skill training & Vocational Education with its expertise in IT/ITES, Electronics, Telecom, Retail and BFSI sectors. Founded by a group of technocrats in the year 1999.Rooman has 200+ Branches across India and has a large pool of Highly Qualified Domain experts and Faculties for various Sectors.

Company Financial Performance

(Financial information of latest two financial years to be given along with key performance indicators

Key Financial Indicators

Key Parameters	Units	2018	2017
Result Type			
Operating Revenue	₹ Cr	77.60	50.90
EBITDA	₹ Cr	9.39	2.85
PAT	₹ Cr	3.71	1.18
Tangible Net worth	₹ Cr	12.22	8.51
Total Debt/Tangible Net worth	Times	2.45	1.99
Current Ratio	Times	1.30	1.26

Rating History for the last three years

S.No	Instrument /Facility	Current Rating			Rating History		
		Type (Long Term/ Short Term)	Amount (₹ Crs)	Rating	Date, Month , Year	Date, Month , Year	Date, Month, Year
	Fund Based	Long Term	6.00	BWR BB (*Pronounced as BWR Double B*) Outlook: Stable	NIL		
	Non-Fund Based	Short Term	4.00	BWR A4 (*Pronounced as BWR A four*)			
	Total		10.00	INR Ten Crores Only			

Status of non-cooperation with previous CRA (if applicable)-Reason and comments
Any other information
Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- Short Term Debt

For any other criteria obtain hyperlinks from website

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For print and digital media

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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, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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.