

Press Release

Powerweave Software Services Private Limited

February 11, 2019

Rating Withdrawn



Total Instruments Rated*	Rs. 10.00 Cr.
Long Term Rating	ACUITE B- (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE B-**' (read as **ACUITE B minus**) to the Rs. 10.00 crore bank facilities of Powerweave Software Services Private Limited (PSPL). The rating withdrawal is in accordance with the Acuite's 'policy on withdrawal of rating'.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

PSPL, incorporated in 2000, provides back office services and is also into software development and internet marketing. The back office services include business process outsourcing (involving web catalogue management, order processing, account receivables management and account payables management) as well as image management (graphics designing and development). PSPL also develops ERP software and undertakes publishing and printing.

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of PSSPL.

About the Rated Entity Financials

	Unit	FY16 (Prov.)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	42.41	35.36	30.76
EBITDA	Rs. Cr.	9.18	7.55	4.60
PAT	Rs. Cr.	0.76	0.75	0.38
EBITDA Margin	(%)	21.65	21.25	14.95
PAT Margin	(%)	1.80	2.11	1.24
ROCE	(%)	15.05	12.88	9.08
Total Debt/Tangible Net Worth	Times	1.36	1.40	1.53
PBDIT/Interest	Times	1.66	1.62	1.39
Total Debt/PBDIT	Times	2.89	3.24	5.76
Gross Current Assets (Days)	Days	189	168	284

Status of non-cooperation with previous CRA (if applicable):

None

Applicable Criteria

- Default Recognition: <https://www.acuite.in/view-rating-criteria-17.htm>
 - Service entities: <https://www.acuite.in/view-rating-criteria-8.htm>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument /Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
10-Jan-2019	Cash Credit	Long Term	10.00	ACUITE B- (Indicative)
26-Oct-2017	Cash Credit	Long Term	10.00	ACUITE B- (Indicative)
02-Aug-2016	Cash Credit	Long Term	10.00	ACUITE B-/Stable (Upgraded from ACUITE C)
	Term Loan	Long Term	9.60	ACUITE C (Withdrawn)

*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B- (Withdrawn)

Contacts

Analytical	Rating Desk
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About Acuité Ratings & Research:

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