



SMERA RATINGS LIMITED

# Ravindra Feeds India Private Limited (RFIPL)

**Rating**  
**Rationale**

**September 08, 2015**

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	10.36	SMERA B/Stable (Assigned)
Term Loan I	1.15	SMERA B/Stable (Assigned)
Term Loan II	4.72	SMERA B/Stable (Assigned)
WCTL	0.71	SMERA B/Stable (Assigned)
FITL	0.66	SMERA B/Stable (Assigned)
Bank Facilities (Proposed)	0.40	SMERA B/Stable (Assigned)

SMERA has assigned a long-term rating of '**SMERA B' (read as SMERA B)** to the Rs.18.00 crore bank facilities of Ravindra Feeds India Private Limited (RFIPL). The outlook is '**Stable**'. The rating is constrained by the group's exposure to outbreaks of bird flu and other diseases, margins being susceptible to volatility in feed and broiler prices inherent in the poultry business, high gearing levels and limited bargaining power. However, the ratings are supported by the extensive experience of the promoters in the poultry industry and healthy revenue growth over the years.

SMERA has consolidated the business and financial risk profiles of RFIPL and Ravindra Hatcheries - another group company, together referred to as the Ravindra Group. The consolidation is due to the common management, operational and financial synergies within the group.

## **Outlook: Stable**

SMERA believes that the group will continue to benefit over the medium term from its promoters extensive experience in the poultry business. The outlook may be revised to 'Positive' in case of improvement in its debt coverage indicators and profitability margins. However, the outlook may be revised to 'Negative' in case the financial risk profile weakens.

## **About the Group**

The Haryana-based Ravindra group, established in 2009 by Mr. Vikram Singh and Mr. Ravinder Kumar undertakes breeding and selling of broiler birds as well as manufacturing of poultry feed.

The group reported profit after tax (PAT) of Rs.0.47 crore on operating income of Rs.77.54 crore for FY2013-14, as compared with PAT of Rs.0.50 crore on operating income of Rs.54.72 crore in FY2012-13. The firm's net worth stood at Rs.9.88 crore as on March 31, 2014, as compared with Rs.8.63 crore a year earlier.

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.



SMERA RATINGS LIMITED

# Ravindra Feeds India Private Limited (RFIPL)

**Rating  
Rationale****Contact List:**

Media/Business Development	Analytical Contact	Rating Desk
Antony Jose Vice President – Business Development Tel: +91-22-6714 1191 Email: <a href="mailto:antony.jose@smera.in">antony.jose@smera.in</a> Web: <a href="http://www.smera.in">www.smera.in</a>	Vinay Chhawchharia Associate Vice President – Corporate Ratings Tel: +91-22-6714 1156 Email: <a href="mailto:vinay.chhawchharia@smera.in">vinay.chhawchharia@smera.in</a>	Tel: +91-22-6714 1184 Email: <a href="mailto:ratingdesk@smera.in">ratingdesk@smera.in</a>

**Disclaimer:** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.