

September 08, 2015

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	3.35	SMERA B/Stable (Assigned)
Term Loan I	4.70	SMERA B/Stable (Assigned)
Term Loan II	2.46	SMERA B/Stable (Assigned)
Working Capital Term Loan	0.49	SMERA B/Stable (Assigned)

SMERA has assigned a long-term rating of '**SMERA B**' (read as **SMERA B**) to the Rs.11.00 crore bank facilities of Ravindra Hatcheries (RH). 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 RH and Ravindra Feeds India Private Limited (RFIPL) - 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.

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