

January 19, 2016

Facilities	Amount (Rs. Crore)	Rating
Cash Credit	4.50	SMERA B-/Stable (Assigned)
Term Loan	17.50	SMERAB-/Stable (Assigned)

SMERA has assigned a long-term rating of '**SMERA B-**' (read as **SMERA B minus**) to the Rs.22.00 crore bank facilities of B.Y. Agro and Infra Private Limited (B.Y. Agro). The outlook is '**Stable**'. The rating is constrained by the company's small scale of operations, uneven revenue trend, foreign exchange fluctuation risk and working capital intensive business. However, the rating draws comfort from the experienced management and infusion of capital by way of non- interest bearing unsecured loans.

Outlook: Stable

SMERA believes that B.Y. Agro, will continue to maintain a stable business risk profile over the medium term due to its experienced management. The outlook may be revised to 'Positive' in case of sustained and substantial increase in scale of operations and efficient working capital management. Conversely, the outlook may be revised to 'Negative' if the company reports over-drawings in its CC facility or if it undertakes any debt-funded capital expenditure increasing its debt-equity profile.

Rating Sensitivity Factors

- Efficient working capital management
- Increasing revenues
- Timely infusion of funds by promoters

About the Company

Incorporated in 2010, B.Y. Agro was promoted by Mr. Hasan Shafique. The company is engaged in the business of integrated cooling (IQC – Cold Storage) and processing of agricultural products and exports the same to customer in UAE.

The company also trades in fruit pulp and manure.

For FY2014-15, B.Y. Agro reported profit after tax (PAT) of Rs.0.01 crore on net operating income of Rs.4.94 crore, as compared with PAT of Rs.0.01 crore on operating income of Rs.1.04 crore in the previous year.

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SMERA RATINGS LIMITED

**B.Y. Agro and Infra Private Limited
(B.Y. Agro)****Rating
Rationale****Contact List:**

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