



Press Release

Raviraj Foils Limited

April 22, 2024

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Facilities – Term Loans	44.05	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; ISSUER NOT COOPERATING *)	Downgraded and continued at ISSUER NOT COOPERATING category	Simple
Long Term Fund Based Limit – Cash Credit	59.00	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; ISSUER NOT COOPERATING *)	Downgraded and continued at ISSUER NOT COOPERATING category	Simple
Proposed Long term facilities	2.81	IVR BB/ Negative; ISSUER NOT COOPERATING* (IVR Double B with Negative outlook; ISSUER NOT COOPERATING *)	Downgraded and continued at ISSUER NOT COOPERATING category	Simple
Short Term Non- Fund Based Limits - Letter of Credit	3.25	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	Reaffirmed and continued at ISSUER NOT COOPERATING category	Simple
Short Term Non- Fund Based Limits - Bank Guarantee	8.50	IVR A4+; ISSUER NOT COOPERATING* (IVR A Four Plus; ISSUER NOT COOPERATING*)	Reaffirmed and continued at ISSUER NOT COOPERATING category	Simple
Total	117.61 (Rupees one hundred seventeen crore and sixty-one lakh only)			

**Issuer did not cooperate; based on best available information*



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Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics has downgraded the ratings and continued to classify the bank facilities of Raviraj Foils Limited (RFL) under issuer not co-operating category as it reflects lack of adequate information and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide email communications dated March 18, 2024, April 17, 2024, April 18, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the requested information for monitoring the ratings.

Availability of information is very critical in the rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the rating based on the best available information. Accordingly, the ratings for the bank facilities of RFL aggregating Rs.117.61 crore has been downgraded the long term ratings and reaffirmed the short term ratings and continued to the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Policy on Default Recognition](#)

[Criteria of assigning Rating Outlook](#)

[Rating Methodology for Manufacturing Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)



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About the company

Raviraj Foils Limited (RFL) started production from December 1997. The company manufactures ultra-light, light (6 to 12 microns) and medium gauge (15 to 50 microns) aluminium foils which are used for FMCG and pharmaceutical packaging. The company has 2 units in Sanand and 1 printing unit in Sikkim. The first unit at Sanand was commissioned in 1997-98 with a capacity 9,000 MTPA and second unit at Sanand was commissioned in December 2019 which has a capacity 19,910 MTPA. RFL has 2 New Achenbach (Germany) make Rolling Mills capable of rolling up to 2,150 mm width and can produce ultra-light gauge aluminium foil of 5 micron and above thickness. The company has a 2.1 MW wind Turbine in Bhuj District.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-Mar-20 (Audited)	31-Mar-21 (Audited)
Total Operating Income	223.68	394.41
EBITDA	26.05	46.08
PAT	5.54	2.38
Total Debt	246.71	259.93
Adjusted Tangible Net-worth	157.13	170.65
Ratios		
EBITDA Margin (%)	11.65	11.68
PAT Margin (%)	2.46	0.60
Overall Gearing Ratio (x)	1.57	1.52

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not Applicable



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Rating History for last three years:

Sr. No	Name of Instrument/ Facilities	Current Ratings (Year 2024-25)			Rating History for the past 3 years		
		Type	Amount (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (Mar 01, 2023)	Date(s) & Rating(s) assigned in 2021-22 (Dec 29, 2021)	Date(s) & Rating(s) assigned in 2020- 21 (Dec 22, 2020)
1.	Term Loan	Long Term	44.05 (decreased from 46.86)	IVR BB/ Negative; ISSUER NOT COOPERATI NG*	IVR BB+/ Negative; ISSUER NOT COOPERA TING*	IVR BBB+/ Stable	IVR BBB+/ Stable
2.	Cash Credit	Long Term	59.00	IVR BB/ Negative; ISSUER NOT COOPERATI NG*	IVR BB+/ Negative; ISSUER NOT COOPERA TING*	IVR BBB+/ Stable	IVR BBB+/ Stable
3.	Proposed facilities	Long Term	2.81	IVR BB/ Negative; ISSUER NOT COOPERATI NG*	IVR BB+/ Negative; ISSUER NOT COOPERA TING*	IVR BBB+/ Stable	-
4.	Letter of Credit	Short Term	3.25	IVR A4+; ISSUER NOT COOPERATI NG*	IVR A4+; ISSUER NOT COOPERA TING*	IVR A2	IVR A2
5.	Bank Guarantee	Short Term	8.50	IVR A4+; ISSUER NOT COOPERATI NG*	IVR A4+; ISSUER NOT COOPERA TING*	IVR A2	IVR A2

**Issuer did not cooperate; based on best available information*

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which help corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Term Loan	-	-	Up to September 2032	44.05	IVR BB/ Negative; ISSUER NOT COOPERATING*
Cash Credit	-	-	-	59.00	IVR BB/ Negative; ISSUER NOT COOPERATING*
Proposed facilities	-	-	-	2.81	IVR BB/ Negative; ISSUER NOT COOPERATING*
Letter of Credit	-	-	-	3.25	IVR A4+; ISSUER NOT COOPERATING*
Bank Guarantee	-	-	-	8.50	IVR A4+; ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not available

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.