



## Press Release

### Rustam Foods Private Limited (RFPL)

May 13, 2022

#### Ratings:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings*	Previous Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Facilities	2.37	IVR BB+/ ISSUER NOT COOPERATING (IVR Double B Plus; ISSUER NOT COOPERATING)	IVR BBB+ /Stable (IVR Triple B Plus with Stable Outlook)	<b>Rating Revised and moved to ISSUER NOT COOPERATING category</b>	Simple
Short Term Fund Based Facilities	22.63	IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; ISSUER NOT COOPERATING)	IVR A2 (IVR A Two)	<b>Rating Revised and moved to ISSUER NOT COOPERATING category</b>	Simple
	<b>25.00</b>				

*\*Issuer not cooperating, based on best available information*

#### Details of Facilities are in Annexure 1

#### Detailed Rationale

The aforesaid rating revision to the bank facilities of Rustam Foods Private Limited reflects lack of adequate information available about the performance of the company 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, despite the rating revision.

#### Note on non-cooperation



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Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide e-mail 01.04.22, 11.04.22, and 05.05.22 along with telephonic conversations. However, despite repeated requests, the company has failed to submit Audited financial statements for FY21 and other data for review.

Availability of information is very critical in rating exercise. In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the ratings assigned to the bank loan facilities of Rustam Foods Private Limited aggregating to INR25.00 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+; ISSUER NOT COOPERATING & short term rating as IVR A4+ ISSUER NOT COOPERATING.

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

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

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

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

### **About the Company**

Rustam Foods Private Limited (RFPL) incorporated in 2006 as a private limited company is based in Unnao, Uttar Pradesh. The company is a DGFT certified three-star export house and engaged in the business of processing of frozen boneless buffalo meat. RFPL has an APEDA registered integrated abattoir and meat processing plant in U.P. RFPL's product range includes Indian Halal Frozen Boneless Buffalo Meat and Offal, Animal Fat Oil, Poultry Feed Supplement, Buffalo Horns & Hooves etc.

**Financials (Standalone):**

(In Crore)



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For the year ended* As on	31-03-2019	31-03-2020
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	1,433.14	1,325.91
EBITDA	35.64	37.52
PAT	15.19	16.81
Total Debt	155.05	157.62
Tangible Net worth	71.31	88.81
EBITDA Margin (%)	2.49	2.83
PAT Margin (%0	1.06	1.27
Overall Gearing Ratio (x)	2.17	1.77

*\*Classification as per Infomerics' standards.*

**Status of non-cooperation with previous CRA: None**

**Any other information: NA**

**Rating History for last three years:**

Sl. No.	Name of Instrument/Facilities	Type	Current Rating (Year 2022-23)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 21-22	Date(s) & Rating(s) assigned in 20-21 (Dated: March 12, 2021)	Date(s) & Rating(s) assigned in 19-20
1.	Term Loan	Long Term	2.37	IVR BB+ ISSUER NOT COOPERATING	-	IVR BBB+/ Stable	-
2.	EPC/PCFC/FBP/ FBD/AABSUC combined limit	Short Term	20.82	IVR A4+; ISSUER NOT COOPERATING	-	IVR A2	-
3.	Derivatives/FC/CEL	Short Term	1.81	IVR A4+; ISSUER NOT COOPERATING	-	IVR A2	-



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### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most trusted & credible rating agency in the country and is gradually widening its product portfolio. Company's long experience in varied spectrum of financial services is helping it to fine-tune its product offerings to best suit the market.

**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, suspend 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.

### 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	-	-	July 2022	2.37	IVR BB+ ISSUER NOT COOPERATING
EPC/PCFC/FBP/FB D/AABSUC combined limit	-	-	-	20.82	IVR A4+; ISSUER NOT COOPERATING
Derivatives/FC/CEL				1.81	IVR A4+; ISSUER NOT COOPERATING



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

**Annexure 3: Facility wise lender details: NA**

**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](http://www.infomerics.com)