



Press Release

Rustam Foods Private Limited (RFPL)

May 23, 2022

Ratings

| Instruments | Amount (Rs. crore) | Current Ratings | Rating Action | <u>Complexity Indicator</u> |
|--|-------------------------------|---|--|--|
| Long Term Fund Based Facilities | 2.37 | IVR BB+; ISSUER NOT COOPERATING (IVR Double B Plus; ISSUER NOT COOPERATING*) (Withdrawn) | Reaffirmed; continues to be under Issuer Not Co Operating and withdrawn | Simple |
| Short Term Non Fund Based Facilities | 22.63 | IVR A4+; ISSUER NOT COOPERATING (IVR A Four Plus; ISSUER NOT COOPERATING*) (Withdrawn) | Reaffirmed; continues to be under Issuer Not Co Operating and withdrawn | Simple |
| Total | 25.00 | | | |

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

Details of instruments are in Annexure 1

Detailed Rationale

Infomerics has been regularly following up with the company to provide some of the required data to monitor its assigned ratings to the bank facilities. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to review the ratings based on the best available information.

Subsequently, the company has submitted withdrawal request and 'No Objection Certificate' from the bank that has extended the facilities rated by Infomerics. Accordingly, Infomerics has continued to categorise the rating of 'IVR BB+' under 'ISSUER NOT COOPERATING' category assigned to the bank facilities of Rustam Foods Private Limited and withdrawn the same with immediate effect. The rating is withdrawn in accordance with Infomerics' policy on withdrawal.



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The Company has not provided the essential documents/information to assess its credit risk, accordingly, the key rating factors, liquidity position and rating sensitivities have not been commented upon.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

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

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

[Policy on Withdrawal of ratings](#)

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)

| For the year ended* As on | INR in Crore | |
|---------------------------|----------------|----------------|
| | 31-03-2019 | 31-03-2020 |
| | Audited | Audited |
| 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 (%) | 1.06 | 1.27 |
| Overall Gearing Ratio (x) | 2.17 | 1.77 |



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* Classification as per Infomerics' standards

Details of Non-Co-operation with any other CRA: Nil

Any other information: N.A.

Rating History for last three years:

| Sr. No. | Name of Instrument/Facilities | Current Ratings (Year 2022-23) | | | Rating History for the past 3 years | | | |
|---------|--|--------------------------------|--------------------------------|---|---|---|---|---|
| | | Type | Amount outstanding (Rs. Crore) | Rating | Date(s) & Rating(s) assigned in 2022-23 (May 13, 2022) | Date(s) & Rating(s) assigned in 2021-22 | Date(s) & Rating(s) assigned in 2020-21 (March 12, 2021) | Date(s) & Rating(s) assigned in 2019-20 |
| 1. | Term Loan | Long Term | 2.37 | IVR BB+; ISSUER NOT COOPERATING and Withdrawn | 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 and Withdrawn | IVR A4+; ISSUER NOT COOPERATING | - | IVR A2 | - |
| 3. | Derivatives/FC/CEL | Short Term | 1.81 | IVR A4+; ISSUER NOT COOPERATING and Withdrawn | IVR A4+; ISSUER NOT COOPERATING | - | IVR A2 | - |

Name and Contact Details of the Rating Analysts:

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|---|---|
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About Infomerics:

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI). Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating. Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks. Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations. 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, 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 and Withdrawn |
| EPC/PCFC/FBP/FB D/AABSUC combined limit | - | - | - | 20.82 | IVR A4+; ISSUER NOT COOPERATING and Withdrawn |
| Derivatives/FC/CEL | | | | 1.81 | IVR A4+; ISSUER NOT COOPERATING |



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| | | | | | |
|--|--|--|--|--|---------------|
| | | | | | and Withdrawn |
|--|--|--|--|--|---------------|

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

Annexure 3: Facility wise lender details: Not Applicable

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.