



## Rating Rationale

### Al-Hind Exports

25<sup>th</sup> April 2017

## Brickwork Ratings reaffirms ratings for the Bank Loan Facilities of Al-Hind Exports

### Particulars

Facility Rated	Previous Amount (Rs. Crs)	Current Review Amount (Rs. Crs)	Tenure	Previous Rating	Current rating
<b><u>Fund Based</u></b> Cash Credit	<b>9.50</b>	<b>9.50</b>	<b>Long Term</b>	<b>BWR B</b> (BWR Single B) Outlook: Stable	<b>BWR B</b> (BWR Single B) Outlook: Stable <b>Reaffirmed</b>
<b>Total</b>	<b>9.50</b>	<b>Rs 9.50 Crores (INR Nine Crores and Fifty Lakh Only)</b>			

\* Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings.

### Rating Reaffirmed

#### Rationale/Description of Key Rating Drivers/Rating sensitivities:

The assigned rating derives comfort from promoters' experience in the frozen buffalo meat and frozen pet food exports business, growing top-line and efficient conversion cycle. However, the rating is constrained by low profit margins, low networth, high gearing, weak debt protection metrics and significant increase in receivables in FY16, besides risks inherent to the industry owing to changing regulations.

#### Rating Outlook: Stable

BWR believes the *Al-Hind Exports'* business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

#### About the Company

Al-Hind Exports was established in the year 2005 at Meerut (U.P).. It is managed by Mr. Taufeeque Elahi, Mr. Qasim Elahi and Mr. Liyaquat Ali. It is engaged in trading and exporting of frozen buffalo meat and frozen pet food.



## Company Financial Performance

Total operating income has improved from RS 49.05 Cr in FY15 to RS 77.39 Cr in FY16 and PAT has increased from RS 0.02 Cr in FY15 to Rs 0.03 in FY16.

## Rating History for the last three years: (including withdrawn/suspended ratings)

S.No.	Instrument /Facility	Current Rating (Year 2017)			Rating History		
		Type	Amount (Rs Crs)	Rating	2016	2015	2014
1	Cash Credit	Long Term	9.50	BWR B Outlook Stable	NA	BWR B	NA
			<b>Rs 9.50 Cr (INR Nine Crores and Fifty Lakh Only)</b>				

**Status of non-cooperation with previous CRA (if applicable) – NA**

**Any other information – NIL**

## Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Trading Entities](#)
- [Short Term Debt](#)

For any other criteria obtain hyperlinks from website

Analytical Contacts	Media
Ashwini Mital	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
Sr. G. M.	<b>Relationship Contact</b>
<a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</b>	

## For print and digital media

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## Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).



### **About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

### **DISCLAIMER**

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