

Rating Report

Brickwork Ratings assigns the rating of “BWR B” for Bank Loan facilities of Rs. 9.42 Crores to Al-Raheem International Pvt Ltd (AIPL or ‘the Company’)

Brickwork Ratings (BWR) has assigned the following Ratings¹ for the Bank Loan Facilities of Rs. 9.42 Crores of Al-Raheem International Pvt Ltd (“AIPL” or “the Company”):

Facilities	Limits (Rs. Cr)	Tenure	Rating
Fund Based			
Cash Credit	7.50	Long Term	BWR B (Pronounced BWR Single B) Outlook: Stable
Term Loan	1.92*		
Total	9.42	(INR Nine Crores and Forty Two Lakhs Only)	

*O/s as on August 2016

BWR has essentially relied upon the audited financial results of the company upto FY15, publicly available information and information/clarifications provided by the company's management.

The rating has factored in, *inter alia*, long standing experience of promoters, the locational advantage of the manufacturing unit. However, the ratings are constrained by modest scale of operations of the company, nature of operations and the susceptibility of earnings to raw material price fluctuations and foreign exchange rate fluctuations, its presence in a competitive industry alongwith the risks pertaining to the industry.

Background:

M/s Al-Raheem International Pvt Ltd, was incorporated as a private limited company in the year 2013. Its registered office is located in Meerut, Uttar Pradesh. The company is engaged in manufacturing and trading of Pet Foods (Dog Food).

Mr. Sageer Ahmad and Ms. Nasreen Bano are directors of the Company and are having more than 10 years of experience in the same line of activity as partners in associate concern called Al raheem International.

In July 2016, Al-Raheem International (Proprietorship concern with Mr. Sageer Ahmad as Proprietor) has merged with Al-Raheem International Pvt Ltd.

Financial Performance:

Commencement of operations started from April 2016. As on 31st March, 2015, company's authorized share capital stands at Rs. 2.00 Crs and its paid up capital is Rs. 0.01 Crs.

¹ Please refer to BWR website www.brickworkratings.com for definition of the ratings assigned

Rating Outlook:

The rating outlook is expected to be stable over the current year. The ability of the company to achieve the targeted revenue, achieve profitability which is adequate to take care of debt servicing, and efficiently manage its working capital would be the key rating sensitivities.

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Al-Raheem International Pvt Ltd - BLR – Rs. 9.42 Crs

Annexure I: Profit & Loss

* As informed by the Company, commencement of operations has started from April 2016, hence there is no revenue in FY 15.

Al-Raheem International Pvt Ltd - BLR – Rs. 9.42 Crs

Annexure II: Balance Sheet

Balance Sheet		
Crores	FY 14	FY 15
	Audited	Audited
Liabilities		
EQUITY AND RESERVES	0.01	0.01
Share capital	0.01	0.01
Share Application money Pending allotment	0.00	0.00
Non-current liabilities	0.97	1.08
Long-Term Borrowings	0.97	1.08
Current liabilities	0.00	0.00
Other Current Liabilities	0.00	0.00
Total Liabilities	0.98	1.09
ASSETS		
Non-current assets	0.73	0.73
Net Fixed assets	0.72	0.72
Miscellaneous Expenditure To the Extent Not Written off(Non Current)	0.01	0.01
Current assets	0.25	0.36
Current Investments	0.00	0.00
Cash and Cash Equivalents	0.11	0.16
Short-Term Loans and Advances	0.14	0.19
Total Assets	0.98	1.09

Al-Raheem International Pvt Ltd - BLR – Rs. 9.42 Crs

Annexure III: Key Financial Ratios

Key Financial Ratios		
Particulars	FY 14	FY 15
	Audited	Audited
Total Debt	0.97	1.08
Total Debt (Analyzed)	0.48	0.54
Tangible Net Worth	0.00	0.00
Tangible Net Worth (Analyzed)	0.49	0.54
Capital Employed	0.97	1.08
Total Debt/TNW	224.01	1226.70
Total Debt/TNW(Analyzed)	0.99	1.00
Long Term Debt/TNW	224.01	1226.70
TOL/TNW	0.00	0.00
ISCR	0.00	0.00
DSCR	0.00	0.00
DSCR(Analyzed)	0.00	-0.19
Net Profit Margin	0.00	0.00
Operating Profit Margin	0.00	0.00
ROCE	0.00	0.00
Current Ratio	0.00	0.00