

## Ruchi Soya Industries Limited

January 10, 2017

### Ratings

Facilities	Amount (Rs. crore)	Ratings <sup>1</sup>	Rating Action
Long Term Bank Facilities	3,424.24 (reduced from Rs.3,794.71 crore)	<b>CARE D (Single D)</b>	Suspension revoked and ratings reaffirmed
Long Term / Short Term Bank Facilities	6,490.95 (reduced from Rs.6,931.40 crore)	<b>CARE D/CARE D (Single D/Single D)</b>	Suspension revoked and ratings reaffirmed
<b>Total Facilities</b>	<b>9,915.19</b> <b>(Rupees Nine Thousand Nine Hundred Fifteen Crore and Nineteen Lakh Only)</b>		

*Details of instruments/facilities in Annexure-1*

The reaffirmation of the ratings for the bank facilities of Ruchi Soya Industries Ltd. (RSIL) takes into account recent delays in servicing of debt obligations on account of stress on its liquidity on the back of huge loss posted in FY16 and subdued operating performance in H1FY17.

**Outlook:** Not Applicable

**Analytical Approach:** Standalone

**Applicable Criteria**

[CARE's policy on default recognition](#)

[CARE's methodology for short term instruments](#)

[CARE's criteria on assigning outlook to credit ratings](#)

[Rating Methodology – Manufacturing Companies](#)

[Financial Ratios – Non Financial Sector](#)

### Company Background

Incorporated in January 1986, RSIL is engaged in crushing of oil seeds and extraction/refining of edible oil along with manufacturing of related products like vanaspati and textured proteins. It is also engaged in import/export as well as domestic trading of various agri-commodities. It is the flagship entity of the Indore, Madhya Pradesh based Ruchi Group, which has business interests spread across various sectors including edible oil, agri-commodity trading, liquid and dry storage warehousing for agri-products and real estate. RSIL has manufacturing presence at 20 locations across the country.

RSIL registered a net loss of Rs.879 crore on a total operating income of Rs.27,805 crore in FY16 (refers to the period from April 1 to March 31), compared with a net profit of Rs.61 crore on a total operating income of Rs.28,402 crore in FY15. Further during H1FY17, RSIL reported a net profit of Rs.28 crore on a total operating income of Rs.10,159 crore.

**Status of non-cooperation with previous CRA:** Not Applicable

**Rating History (Last three years):** Please refer Annexure-2

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<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

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#### Annexure-1

##### Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Term Loan-Long Term	NA	NA	NA	607.24	CARE D
Fund Based-Long Term	NA	NA	NA	2,817.00	CARE D
Non Fund Based-LT/ST	NA	NA	NA	6,490.95	CARE D / CARE D

#### Annexure-2

##### Rating History (Last three years)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings (January 10, 2017)			Chronology of Rating history for past three years			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015	Date(s) & Rating(s) assigned in 2013-2014
1.	Term Loan-Long Term	LT	607.24	CARE D	1) Suspended (29-12-2016) 2) CARE D (19-12-2016) 3) CARE B (29-09-2016) 4) CARE BB+ (16-06-2016)	1) CARE BBB+ (05-01-2016)	1) CARE BBB+ (13-01-2015)	1) CARE BBB+ (07-01-2014) 2) CARE BBB+ (11-11-2013) 3) CARE BBB+

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings (January 10, 2017)			Chronology of Rating history for past three years			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015	Date(s) & Rating(s) assigned in 2013-2014
								(15-10-2013)
2.	Fund Based-Long Term	LT	2817.00	CARE D	1) Suspended (29-12-2016) 2) CARE D (19-12-2016) 3) CARE B (29-09-2016) 4) CARE BB+ (16-06-2016)	1) CARE BBB+ (05-01-2016)	1) CARE BBB+ (13-01-2015)	1) CARE BBB+ (07-01-2014) 2) CARE BBB+ (11-11-2013) 3) CARE BBB+ (15-10-2013)
3.	Non Fund Based-LT/ST	LT/ST	6490.95	CARE D / CARE D	1) Suspended (29-12-2016) 2) CARE D / CARE D (19-12-2016) 3) CARE B / CARE A4 (29-09-2016) 4) CARE BB+ / CARE A4+ (16-06-2016)	1) CARE BBB+ / CARE A2 (05-01-2016)	1) CARE BBB+ / CARE A2 (13-01-2015)	1) CARE BBB+ / CARE A2 (07-01-2014) 2) CARE BBB+ / CARE A2 (11-11-2013) 3) CARE BBB+ / CARE A2 (15-10-2013)

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