

RATING RATIONALE

AR Poultry Prop. Mr. Rudrappa A

Brickwork Ratings downgrades the long term rating and for the Bank Loan Facilities of Rs 8.40 Crores of AR Poultry Prop. Mr. Rudrappa A on best available information, as the issuer did not cooperate.

Particulars

Facility Rated	Amount(Rs Crs)		Tenure	Rating#	
	Previous	Present		Previous (July 2019)	Present
Fund Based Cash Credit	1.00	1.00	Long Term	BWR B-Stable	BWR C+ Downgrade Issuer Not Cooperating*
Term Loan-I	4.28	4.28	Long Term		
Term Loan-II	3.12	3.12	Long Term		
Total	8.40	8.40	(Rupees Eight Crores and Forty Lakhs Only)		

Please refer to BWR website www.brickworkratings.com/ for definition of the ratings .RNR on 6 July 2020

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

Details of Bank facilities is provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

In view of non availability of information and lack of cooperation from the company, Brickwork Ratings has downgraded and migrated the long term rating to 'BWR C+: Issuer Not Cooperating' for the bank loan facilities amounting Rs. 8.40 Crores of AR Poultry Prop. Mr. Rudrappa A .There is no outlook

The lenders/investors may note to exercise due caution while using the above ratings which mentions "**Issuer Not Cooperating**" since the ratings lack any projections or forward looking component as it is arrived based on the best available information without any management/banker's interaction.

The rating was due for a review in July 2020. BWR took up with the firm to provide required information over emails and through telephone calls. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same.

In the absence of adequate information from the issuer, BWR is unable to assess the firm's financial performance and its ability to service its debt and maintain a valid rating.

LIMITATIONS OF THE RATING: Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account possible deterioration in the credit quality of the rated entity arising from its non-transparency withholding of information required for a review of the rating.

KEY FINANCIAL INDICATORS (in Rs Cr) [AS AVAILABLE WITH BWR]

Key Parameters	Units	FY 19	FY 18
Result Type		Provisionals	Audited
Operating Revenue	Rs in Crores	8.30	7.29
EBITDA	Rs in Crores	3.26	1.16
PAT	Rs in Crores	1.38	(1.33)
Tangible Networkth	Rs in Crores	22.36	(5.27)
Total Debt : TNW	Times	0.42	(2.17)
Current Ratio	Times	0.45	0.54

COMPANY PROFILE(As per the information available in July 2019)

M/s A R Poultry is a proprietorship concern established in the year of 2014 by Mr Rudrappa A at Hobli, Mandya district Karnataka. The firm is engaged in poultry farming having 1.5 lakh chicks and its Eggs production is about 1.2 Lakh eggs per day. The firm generates about 90% of its revenue from the sale of eggs and 10% from others, viz Chicken Meat, Poultry Manure and Gunny bags. On the rooftop of Poultry shed Solar panels have been fixed to generate electricity in Dec,2016 with installed capacity 1 mw. The firm has entered into a PPA to supply power from the entire capacity of 1-MW plant with CESCO for a period of 25 years on fixed tariff basis for Rs. 9.56/kWh.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : NA

RATING HISTORY OF LAST THREE YEARS(including withdrawn or suspended)

Instrument / Facilities	Current Rating			Rating History		
	Tenure	Amount (Rs Cr)	Rating	03.07.2019	04.01.2018	2017
Fund Based Cash Credit	Long Term	1.00	BWR C+ Downgraded Issuer Not Cooperating	BWR B-Stable Upgraded	BWR B-Stable Assigned	----
Term Loan-I	Long Term	4.28		23.03.2019 BWR D Downgraded		
Term Loan-II	Long Term	3.12				
Total		8.40	INR Eight Crores and Forty Lakhs Only			

RNR on 6 July 2020

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

Analytical Contacts	Investor and Media Relations
[Priyamvada Nadkarni Rating Analyst] [Board: :+91 22 2831 1426, +91 22 2831 1439 Ext:624] priyamvada.n@brickworkratings.com K.Nagaraj [Assoc. Director – Ratings] Board:+91 080 40409940 nagaraj.ks@brickworkratings.com	Liena Thakur Assistant Vice President - Corporate Communications +91 84339 94686 liena.t@brickworkratings.com

ANNEXURE I

AR Poultry Prop. Mr. Rudrappa A

Details of Bank Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs Cr]	Short Term [Rs Cr]	Total [Rs Cr]
1)	Corporation Bank now Union Bank Of India	Fund Based Cash Credit	1.00	-	1.00
2)		Term Loan-I	4.28	-	4.28
3)		Term Loan-II	3.12	-	3.12
TOTAL					8.40

Total Rupees Eight Crores and Forty Lakhs Only

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP) DETAILS

Instrument	Issue Date	Amount in ₹ Cr	Coupon Rate	Maturity Date	ISIN Particulars
NA	NA	NA	NA	NA	NA

ANNEXURE III

List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA



For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partners. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.