

RATING RATIONALE

18 Sept 2020

Al-Hamd Agro Food Products Pvt Ltd

Brickwork Ratings downgrades the ratings for the Bank Loan Facilities of ₹190.30 Crores of Al-Hamd Agro Food Products Pvt Ltd, based on the best available information, as the issuer did not cooperate.

Particulars

Facility	Tenure	Previous Amount Rs. Crs	Present Amount Rs. Crs	Previous Rating (20 March 2020)	Present Rating
Term Loan	Long Term	3.30	3.30	BWR BBB+ Stable Issuer not Cooperating*	BWR BB+ Stable (Downgrade) Issuer not Cooperating*
EPC/PCFC	Short Term	137.00	137.00	BWR A3+ Issuer not Cooperating*	BWR A4+ (Downgrade) Issuer not Cooperating*
Forward Cover		50.00	50.00		
Total		190.30	190.30	Rupees One Hundred Ninety crores and Thirty Lakhs only	

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

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

NATURE OF NON-COOPERATION

Bank loans Ratings to the company were reaffirmed at BWR BBB+/A3+ (Stable) (Issuer not cooperating) on 20 March 2020. Since then, BWR has been following up with the company for submission of rating mandate and other required information for conducting a review of the rating. However, due to continued non cooperation by the client in providing the requisite information, BWR downgrades the existing rating to BWR BB+/A4+ (Stable) (Issuer not Cooperating).

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

COMPANY PROFILE (As available with BWR in Jan 2019)

Al-Hamd Agro Food Products Pvt Ltd was registered as a Pvt Ltd company in 2003 and commenced its operations in 2005. The registered and corporate office of the company is in Aligarh, U.P. The company has an integrated abattoir and meat processing plant in Aligarh, U.P. with products being exported to international markets in the Middle East and the South East Asia. The company is ISO 9001:2008, HACCP and FSSAI certified.

Company 'sFinancial Performance

	Unit	FY18 (Aud)	FY19 (Aud)
Net Sales/Revenues	Rs. Crs	1844.53	1327.73
EBIDTA	Rs. Crs	41.87	58.20
PAT	Rs. Crs	33.06	27.29
Tangible Net worth	Rs. Crs	144.34	170.42
TOL/ TNW	Times	1.63	1.56
Current Ratio	Times	1.45	1.50

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: CRISIL BB+ (Stable)/A4+ (March, 2019) (Non-cooperation) (Withdrawn)

RATING HISTORY FOR PAST THREE YEARS (including withdrawn and suspended ratings)

Instrument / Facilities	2020 Rating History	2017																																																
		22 Jan 2020	2019	02 Aug 2018	2017																																													
Bank Loans	<p>Current Rating</p> <table border="1"> <tr> <td>FB</td> <td>Rs. 3.30 crs</td> <td>BWR BB+ Stable (INC)*</td> </tr> <tr> <td>FB</td> <td>Rs. 137.00 crs</td> <td>BWR A4+ (INC)*</td> </tr> <tr> <td>NFB</td> <td>Rs. 50.00 crs</td> <td></td> </tr> </table>	FB	Rs. 3.30 crs	BWR BB+ Stable (INC)*	FB	Rs. 137.00 crs	BWR A4+ (INC)*	NFB	Rs. 50.00 crs		<table border="1"> <tr> <td>FB</td> <td>Rs.3.30 crs</td> <td>BWR BBB+ Stable (INC)*</td> </tr> <tr> <td>FB</td> <td>Rs.137.00 crs</td> <td>BWR A3+ (INC)*</td> </tr> <tr> <td>NFB</td> <td>Rs.50.00 crs</td> <td></td> </tr> </table>	FB	Rs.3.30 crs	BWR BBB+ Stable (INC)*	FB	Rs.137.00 crs	BWR A3+ (INC)*	NFB	Rs.50.00 crs		<table border="1"> <tr> <td colspan="3">10 May 2019</td> </tr> <tr> <td>FB</td> <td>Rs.3.30 crs</td> <td>BWR BB+ Stable</td> </tr> <tr> <td>FB</td> <td>Rs.137.00 crs</td> <td>BWR A3+</td> </tr> <tr> <td>NFB</td> <td>Rs.50.00 crs</td> <td></td> </tr> <tr> <td colspan="3">21 Jan 2019</td> </tr> <tr> <td>FB</td> <td>Rs.3.30 crs</td> <td>BWR BB+ Stable</td> </tr> <tr> <td>FB</td> <td>Rs.137.00 crs</td> <td>BWR A3+</td> </tr> </table>	10 May 2019			FB	Rs.3.30 crs	BWR BB+ Stable	FB	Rs.137.00 crs	BWR A3+	NFB	Rs.50.00 crs		21 Jan 2019			FB	Rs.3.30 crs	BWR BB+ Stable	FB	Rs.137.00 crs	BWR A3+	<table border="1"> <tr> <td>FB</td> <td>Rs.2 crs</td> <td>BWR BB+ Stable</td> </tr> <tr> <td>FB</td> <td>Rs.77 crs</td> <td>BWR A3+</td> </tr> </table>	FB	Rs.2 crs	BWR BB+ Stable	FB	Rs.77 crs	BWR A3+	N.A
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ANNEXURE I

Al-Hamd Agro Food Products Pvt Ltd Details of Bank Facilities rated by BWR

Sl. No.	Name of the Bank	Type of Facilities	Long Term {(₹ Cr)}	Short Term {(₹ Cr)}	Total (₹ Cr)
1	State Bank of India, SMe Branch, Aligarh	Term Loan	3.30	NIL	3.00
2		EPC/PCFC	NIL	137.00	137.00
3		Forward Cover	NIL	50.00	50.00
TOTAL			3.30	187.00	190.30

Rupees One Hundred Ninety crores and Thirty Lakhs Only

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](#)
- [Short Term Debt](#)

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