



**RATING RATIONALE**

**1 October 2020**

**Amul Feed Pvt. Ltd.**

**Brickwork Ratings Downgrades the long term rating for the Bank Loan Facilities aggregating Rs. 15.00 Crs. of Amul Feed Pvt Ltd (“AFPL” or the “Company”) while retaining the ratings in the “Issuer Not Cooperating” category, based on best available information as the issuer did not cooperate. Accordingly the ratings for the said instrument is as under:**

Facilities**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (Nov. 2019)	Present
Fund based	15.00	15.00	Long Term	BWR BB (Stable) Issuer Not Cooperating*	BWR D, Downgraded, Issuer Not Cooperating*
<b>Total</b>	<b>15.00</b>	<b>15.00</b>	<b>Rupees Fifteen Crores Only</b>		

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

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

\*\*Details of Bank facilities are provided in Annexure-I

**RATING ACTION / OUTLOOK**

Brickwork Ratings has **downgraded** the rating of the long term bank loan facilities of Amul Feed Pvt. Ltd. aggregating Rs. 15.00 crores to **BWR D** and has retained the rating in the **“Issuer Not Cooperating”** category, based on best available information as the issuer did not cooperate.

The present rating **Downgrade** is based on the information about the company as available in the public domain regarding ongoing delays in servicing of their debt obligations, as well as lack of up-to-date feedback on the company - either from the company itself, or from its banker.

**NATURE OF NON-COOPERATION**

The initial rating of the company was done on 12 July 2018 and a rating of BB+ (Stable) was assigned. Due to lack of cooperation from the issuer despite continued follow up to enable us



to carry out a review, the rating was downgraded and moved to “Issuer Not Cooperating” category in November 2019.

Further, BWR had once again taken up with the company and its banker, over emails and through telephone calls, to obtain information required for a review. Despite the best efforts of BWR to get at least the minimum required information for the purpose, the entity and its banker have not provided the same, nor have they shared the latest financials of the company. The company has also never submitted the required No Default Statements.

In the absence of management cooperation on the part of the company to provide adequate information for a review despite follow up, coupled with its non submission of NDS, BWR is unable to assess the company’s financial performance or its ability to service its debt and maintain a valid rating. Accordingly, the rating is retained in the “**Issuer Not Cooperating**” category.

#### **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 the 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 the possible deterioration in the credit quality of the rated entity arising from its non transparency and withholding of the information required for a review of the rating.

#### **KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR in July 2018]**

<b>Key Financial Indicators</b>	<b>Units</b>	<b>FY 17</b>	<b>FY 16</b>
<b>Result Type</b>		<b>Audited</b>	<b>Audited</b>
Operating Income	₹ Cr	67.54	53.39
EBITDA	₹ Cr	3.00	2.60
PAT	₹ Cr	0.66	0.31
Tangible Net Worth	₹ Cr	12.47	10.72
Total Debt/Tangible Net Worth	Times	1.23	1.15
Current Ratio	Times	1.15	1.10



**COMPANY PROFILE (Information as available in July 2018)**

Amul Feed Pvt. Ltd. was incorporated in 1997 with a registered office in Patna, Bihar. The Company has six directors namely Mr. Ashok Kumar Singh, Ms. Ranju Devi. Ms. Veena Devi, Ms. Asha Devi, Mr. Sanjay Prasad and Mr. Anand Kumar. The Company is into manufacturing of poultry feed. The company has its manufacturing unit in Ranipur in Patna district of Bihar. The company has its customer base across Bihar, Jharkhand, Uttar Pradesh and most of the northeast states of India.

**NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY):**

1. CARE D, Issuer Not Cooperating as on 30 September 2020
2. Ind BB, Issuer Not Cooperating as on 8 May 2018

**RATING HISTORY FOR THE PREVIOUS THREE YEARS (including withdrawal and suspended)**

S. No	Name of Instrument	Current Rating			Chronology of Rating History for the past 3 years along with outlook/watch, if applicable										
		Type	Amount Outstanding (₹ Crs.)	Rating#	Date(s) & rating(s) assigned in year 2019		Date(s) & rating(s) assigned in year 2018		Date(s) & rating(s) assigned in year 2017						
1.	Bank Loan Facility	Fund Based-Long Term	15.00	BWR D, Downgraded, Issuer Not Cooperating*	20.11.19 <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>F B</td> <td>15.00</td> <td>BWR BB (Stable) Issuer Not Cooperating*</td> </tr> </table> Downgraded		F B	15.00	BWR BB (Stable) Issuer Not Cooperating*	12.07.18^ <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>F B</td> <td>15.00</td> <td>BWR BB+ (Stable)</td> </tr> </table> Assigned		F B	15.00	BWR BB+ (Stable)	-
F B	15.00	BWR BB (Stable) Issuer Not Cooperating*													
F B	15.00	BWR BB+ (Stable)													
<b>Total</b>			<b>15.00</b>	<b>Rupees Fifteen Crores Only</b>											

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

^Migrated to "Rating Not Reviewed" on 15 Jul 2019



## COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

### Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to Financial Ratios
- What Constitutes Non- Cooperation

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## ANNEXURE I

### Amul Feed Pvt. Ltd.

#### Details of Bank Loan Facilities rated by BWR

Sl.No.	Name of the Bank	Type of Facilities	Long Term [Rs. Crs]	Short Term [Rs. Crs]	Total [Rs. Crs,]
1.	Indian Bank (erstwhile Allahabad Bank)	Cash Credit	15.00	-	15.00
<b>TOTAL Rupees Fifteen Crores only</b>					<b>15.00</b>



**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.