



## Rating Rationale

Matrix Agro Private Limited

17<sup>th</sup> May 2017

**Brickwork Ratings assigns the rating for the Bank Loan Facilities (Sanctioned & Proposed) of Rs. 38.47 crore of Matrix Agro Private Limited**

### Particulars

Facilities Rated	Amount (Rs. Crs)	Tenure	Rating *
<b><u>Fund Based:</u></b>			
Open Cash Credit	6.00	<b>Long Term</b>	<b>BWR D</b> (Pronounced as BWR D)
Term Loans <sup>#</sup>	27.97		
Proposed Term Loan	0.50		
Proposed Working Capital Term Loan	4.00		
<b>Total</b>	<b>Rs. 38.47 Crore</b> <b>(Rupees Thirty Eight Crore Forty Seven Lakh Only.)</b>		

# Term Loans Outstanding as on 25<sup>th</sup> April 2017

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

### Rationale/Description of Key Rating Drivers/Rating sensitivities:

The ratings draws strength from experience of the promoters (albeit in different areas), long-term Power Purchase Agreements (PPA) with diversified clientele and implicit support from promoters group. However, the rating is constrained by delays in servicing interest & principal obligations by the company due to weak financial position marked by net losses, below average debt protection metrics, high gearing levels and stressed liquidity position.

The rating assigned indicates the delayed repayment of its obligations. If the company clears all its overdues with the lender, it will pave way for a rating revision.

### About the Company

Matrix Agro Private Limited (MAPL), was incorporated on 3<sup>rd</sup> December 2001 as a Private Limited Company with registered office in Hyderabad, Telangana. The Key promoters of MAPL are Apollo Hospitals Enterprise Limited, Apollo Energy Company Limited, Smt. Shobana Kamineni and Shri. K Sri Harsha. Smt. Shobana Kamineni and Shri. Anil Kamineni are the directors of the company. The company is engaged in Power generation and has setup a 6.00 MW Biomass based Power plant in Polakpalli village, Chinchoili Taluk, Gulbarga District, Karnataka. Commercial Operations of the company started in December 2015. MAPL generates

power under group captive Independent Power Producer (IPP), supplies to its clientele in Bangalore, has long-term Power Purchase Agreements (PPA). The company uses agriculture waste sourced from local farmers to meet its raw material requirements.

### Company Financial Performance

MAPL has reported a Net revenue of Rs. 3.72 Crore in FY16 with net loss of Rs. 2.59 crore. Tangible Net worth stood at Rs. 7.04 Crore as on 31<sup>st</sup> March 2016.

### Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument/ Facilities	Current Rating (Year 2017)			Rating History		
		Type	Amount (Rs. Cr)	Rating	2016	2015	2014
1	Open Cash Credit	Long Term	6.00	BWR D	-	-	-
2	Term Loan - I		24.82		-	-	-
3	Term Loan - II		3.15		-	-	-
4	Proposed Term Loan		0.50		-	-	-
5	Proposed WCTL		4.00		-	-	-

### Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)
- [Default Recognition and Post Default Curing Period](#)

Analytical Contacts	Media
<i>K V Raju</i> <i>Head – MSME Ratings</i>	<a href="mailto:media@brickworkratings.com">media@brickworkratings.com</a>
<a href="mailto:analyst@brickworkratings.com">analyst@brickworkratings.com</a>	Relationship Contact
	<a href="mailto:bd@brickworkratings.com">bd@brickworkratings.com</a>
<b>Phone: 1-860-425-2742</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.

#### **Note on complexity levels of the rated instrument:**

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf) Investors queries can be sent to [info@brickworkratings.com](mailto:info@brickworkratings.com).

#### **About Brickwork Ratings**

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

#### **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.