



Rating Rationale

Nutrients Agro Fruits Private Limited

25th May 2017

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs.10.00 Crs of Nutrients Agro Fruits Private Limited.

Particulars

Facility Rated	Amount (Rs. Crs)	Tenure	Rating *
Fund Based – Cash Credit Pledge	10.00	Long Term	BWR B (BWR Single B) (Outlook: Stable)
Total	10.00	INR Ten Crores Only	

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

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has primarily relied upon FY16, Provisionals financials FY17 certified by CA and Projected financials for FY18 and publicly available information and the information/clarifications provided by the company.

The rating draws strength from the experienced promoters and locational advantage of the company. However, the ratings are constrained by low scale of revenue, low tangible networth, high gearing ratio, working capital intensive nature of operations, achieving projected revenues, achieving projected data by executing plans in near and medium term including marketing inherent cyclical nature and pricing concerns.

Rating Outlook: Stable

BWR believes the **Nutrients Agro Fruits Private Limited** business risk profile may be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

About the Company

Nutrients Agro Fruits Private Limited was incorporated in the year 2004 with registered office at Gokak Karnataka. The promoters of the company are Uday Balkrishna Kudachikar, Prakash Kadappa Heggannavar and Subash Padmappa Chouagala, who are agriculturists. The company is running a sugar factory at present which has been taken on lease from Daulat Shetkari Sahakari

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Sakhar Karkhana Ltd. for a total amount of Rs.67.15 Crs for a period of 45 years. The sugar mill situated at Tal-Chandgad, District Kolhapur, Maharashtra, The sugar mill has an installed crushing capacity of 3500 tons of sugar cane per day. The major products of the company are White/Brown Sugar and Molasses with sugar recovery rate of 10.90%.

Firm Financial Performance

As per the Provisionals FY17, the Company has reported a net revenue of Rs.14.61 Crores by commencing operations from Nov 2016 and projected a revenue of about Rs.193.00 Crores for FY18.

Rating History for the last three years:

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	2016	2015	2014
1	Cash Credit Pledge	Long Term	10.00	BWR B	-	-	-

Hyperlink/Reference to Applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Manufacturing Companies](#)

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For print and digital media

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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 Investors queries can be sent to 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

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