

Press Release

Roy Agrovets Private Limited

October 24, 2019



Rating Update

| | |
|-------------------------------------|--|
| Total Bank Facilities Rated* | Rs. 15.00 Cr. # |
| Long Term Rating | ACUITE BB+ Issuer not co-operating* |
| Short Term Rating | ACUITE A4+ Issuer not co-operating* |

Refer Annexure for details`

* The issuer did not co-operate; Based on best available information.

Acuité has reviewed the long-term rating of **ACUITE BB+** (read as **ACUITE double B**) and short-term rating of **ACUITE A4+** (read as **ACUITE A four plus**) on the Rs. 15.00 crore bank facilities of Roy Agrovets Private Limited(RAPL). This rating is now an indicative rating and is based on best available information.

The company was incorporated in the year 2011, as a Kolkata based company. It is engaged in production of commercial broiler. The company has an installed capacity of 25 lakh birds. At Present Roy Agrovets Private Limited is engaged in Integrated Commercial Broiler production business on contractual basis. The term Integrated Commercial Broiler production means that company is producing its own chicks from hatching eggs, procuring poultry feed, procuring medicines and growing birds with the help of expert grower as well. Hatching eggs are purchased from different breeding firms like Mayuri Broiler Breeding Farm, Golden Farms, Geeta Breeding Farm, Purva Breeders Private Limited and incubated from contractual hatcheries for a nominal processing charge. The normal incubation period is 3 weeks after which the Chicks are incubated from eggs and sent to the employed farmers for Growing job or sold to customers. Medicines and supplements are purchased from different pharmaceutical companies like Venkys India Ltd, Pfizer India Ltd, Bayer India Ltd etc and sent to farmers for rearing poultry birds. After growing which approximately takes 42 days the birds are sold to different traders/wholesaler.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of RAPL to arrive at this rating.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>
- Manufacturing Entities- <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Crore) | Ratings/Outlook |
|-------------|---------------------------------|------------|--------------------|--|
| 17-Aug-2018 | Cash Credit | Long Term | 9.25 | ACUITE BB+/ Stable (Downgraded from ACUITE BBB-/ Stable) |
| | Term Loans | Long Term | 5.25 | ACUITE BB+/ Stable (Downgraded from ACUITE BBB-/ Stable) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A4+ (Downgraded from ACUITE A3) |
| 01-Jun-2017 | Cash Credit | Long Term | 1.50 | ACUITE BBB-/Stable (Assigned) |
| | Term Loans | Long Term | 9.80 | ACUITE BBB-/Stable (Assigned) |
| | Proposed Cash Credit | Long Term | 2.00 | ACUITE BBB-/Stable (Assigned) |
| | Proposed Long Term Loan | Long Term | 0.60 | ACUITE BBB-/Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.50 | ACUITE A3 (Assigned) |
| | Letter of Credit | Short Term | 0.60 | ACUITE A3 (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|--|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 9.25 | ACUITE BB+ Issuer not co-operating* |
| Term Loans | Not Applicable | Not Applicable | Not Applicable | 5.25 | ACUITE BB+ Issuer not co-operating* |
| Bank Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.50 | ACUITE A4+ Issuer not co-operating* |

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile ACUITE Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities.

debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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