

Press Release

Prasad Feeds Private Limited

November 26, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B+ Issuer not co-operating*

Refer Annexure for details

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

Rating Rationale

Acuité has reviewed the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.10.00 crore bank facilities of Prasad Feeds Private Limited (PFPL). The rating is flagged as "Issuer Not-Cooperating" on account of information risk.

Hyderabad-based PFPL, incorporated in 2015, is promoted by Mr. Hemanth Kumar Karumanchi and his sister, Ms. Karthika. It is engaged in processing and supply of maize crop based silage or green fodder, which is used as cattle feed. Silage is primarily made of maize crop, by chopping the standing maize green crop into tiny pieces and making into a bale form of about 300 kgs with airtight packing for fermentation and durability. PFPL has long-term arrangement with DoAH - GoAP for supply of silage for about 30,000 metric tonnes per annum (MTPA). Further, the company has orders of 3000 MTPA from private parties such as National Dairy Development, MNR Dairy, various Goshalas, among others.

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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 endeavoured 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 requests.

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

None

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. Cr)	Ratings/Outlook
06-Sept-2019	Cash Credit	Long Term	8.00	ACUITE B+/Stable (Upgraded)
	Proposed	Long Term	2.00	ACUITE B+/Stable (Upgraded)
23-Aug-2018	Cash Credit	Long Term	8.00	ACUITE D (Downgraded)
	Proposed	Long Term	2.00	ACUITED (Downgraded)
18-Jun-2018	Cash Credit	Long Term	8.00	ACUITE BB-/Stable (Assigned)
	Proposed	Long Term	2.00	ACUITE BB-/Stable (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	8.00	ACUITE B+ Issuer not co-operating*
Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ 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 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 8,440 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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