

Press Release

Prasad Feeds Private Limited

February 25, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	10.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	10.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed 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. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information.

About the Company

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.

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.

Rating Sensitivity

No information provided by the issuer / available for Acuité to comment upon.

Material Covenants

Not Applicable.

Liquidity Position

No information provided by the issuer / available for Acuité to comment upon.

Outlook

Not Applicable.

Status of non-cooperation with previous CRA

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.

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
26 Nov 2020	Proposed Bank Facility	Long Term	2.00	ACUITE B+ (Issuer not co-operating*)
	Cash Credit	Long Term	8.00	ACUITE B+ (Issuer not co-operating*)
06 Sep 2019	Proposed Bank Facility	Long Term	2.00	ACUITE B+ Stable (Upgraded from ACUITE D)
	Cash Credit	Long Term	8.00	ACUITE B+ Stable (Upgraded from ACUITE D)
23 Aug 2018	Cash Credit	Long Term	8.00	ACUITE D (Downgraded from ACUITE BB- Stable)
	Proposed Bank Facility	Long Term	2.00	ACUITE D (Downgraded from ACUITE BB- Stable)
18 Jun 2018	Cash Credit	Long Term	8.00	ACUITE BB- Stable (Assigned)
	Proposed Bank Facility	Long Term	2.00	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
DBS Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE B+ Reaffirmed Issuer not co-operating*

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 8,850 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 KanjurMarg, Mumbai.

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