



Press Release
Swathi Hatcheries
May 12, 2022

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.00	ACUITE B+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	23.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as '**ACUITE single B plus**') from '**ACUITE BB-**' (read as '**ACUITE double B minus**') on the Rs.23.00 Cr bank facilities of SWATHI HATCHERIES (SH). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

About the Company

Coimbatore-based SH was established in 1990 as a partnership firm, engaged in the business of poultry farming. The firm is promoted by Mr. K. Chinnasamy, Mr. C. Muthulaxmi and Mr. C. Saravanan. Further the firm is in the process of venturing in the export of processed chicken.

Non-cooperation by the issuer/borrower:

Acuite 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.

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

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

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). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite 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 Acuite to comment upon."

Material Covenants

Not Applicable.

Liquidity Position

"No information provided by the issuer / available for Acuite 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
08 Feb 2021	Proposed Long Term Loan	Long Term	23.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
15 Nov 2019	Term Loan	Long Term	0.90	ACUITE BB (Withdrawn)
	Proposed Bank Facility	Long Term	23.00	ACUITE BB Stable (Assigned)
	Cash Credit	Long Term	6.00	ACUITE BB (Withdrawn)
14 Jun 2019	Term Loan	Long Term	0.90	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE BB (Issuer not co-operating*)
22 Mar 2018	Cash Credit	Long Term	6.00	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	0.90	ACUITE BB (Issuer not co-operating*)
26 Dec 2016	Cash Credit	Long Term	6.00	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
	Term Loan	Long Term	0.90	ACUITE BB Stable (Upgraded from ACUITE BB- Stable)
27 Jan 2016	Cash Credit	Long Term	6.00	ACUITE BB- Stable (Reaffirmed)
	Term Loan	Long Term	0.90	ACUITE BB- Stable (Reaffirmed)
18 Feb 2015	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Term Loan	Long Term	0.90	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Term Loan	Short Term	2.00	ACUITE A4 (Reaffirmed)
16 Jan 2014	Term Loan	Long Term	0.49	ACUITE B+ Stable (Assigned)
	Term Loan	Long Term	0.90	ACUITE B+ Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE B+ Stable (Assigned)
	Term Loan	Short Term	2.00	ACUITE A4 (Assigned)
	Term Loan	Short Term	0.50	ACUITE A4 (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	23.00	ACUITE B+ Downgraded Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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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