

Coastal Farms

January 10, 2023

Ratings

Facilities/Instruments	Amount (Rs crore)	Rating ¹	Rating Action
Long Term Bank Facilities	52.50	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Total Bank Facilities	52.50 (Rs Fifty-Two Crore and Fifty Lakhs Only)		

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated November 10, 2021, placed the rating(s) of Coastal Farms (CF) under the 'issuer non-cooperating' category as CF had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. CF continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated September 26, 2022, October 06, 2022, October 16, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of CF have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [November 10, 2021](#)

Analytical approach: Standalone

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

About the firm

Coastal Farms (CF) was established in 1996 as a partnership firm and promoted by Mr. P. S. Prakash Shetty and Mrs. Dhaneshwari Shetty as partners. Coastal farm is engaged in manufacturing of animal and poultry feed, sale of day-old chicks and processed chicken meat. CF is an ISO 9001:2008 certified firm and has license from Food Safety and Standard Authority of India. The firm's manufacturing / processed unit and eight chicken retail outlets are located at various districts in Karnataka. It markets its products under the brand name "Coastal Feeds", "Coastal Wholesome Chicken World", and "Coastal Hatcheries. The firm manufactures about 30 varieties of feed products (developed in-house) of which 20% are cattle feed and 80% are poultry feed. The company's key raw materials like Maize, Soya and De- Oiled Rice Bran are procured from domestic markets which constituted to around 85% of the purchase during FY16 and rest 15% of the purchase (Lysine and vitamin premix) are procured from Thailand and Singapore. On the other hand, COF sells 100% of its products domestically in Karnataka and Kerala regions.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	9MFY23 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Brickwork has continued the rating assigned to the bank facilities of CF into Issuer Not Cooperating category vide press release dated March 31, 2022 on account of its inability to carry out a review in the absence of the requisite information from the firm.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this firm: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	July, 2022	2.50	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan (Proposed)		-	-	-	20.00	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Demand loan		-	-	-	15.00	CARE B; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

S r · N o ·	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	2.50	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Nov-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (23-Sep-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Jul-19)
2	Fund-based - LT-Cash Credit	LT	15.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Nov-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (23-Sep-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Jul-19)

3	Fund-based - LT-Working Capital Demand loan	LT	15.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Nov-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (23-Sep-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Jul-19)
4	Fund-based - LT-Term Loan	LT	20.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (10-Nov-21)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (23-Sep-20)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (24-Jul-19)

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable

Annexure 4: Complexity level of various instruments rated for this firm

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Demand loan	Simple

Annexure 5: Bank Lender Details for this firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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