

## Manikyam Poultry Farm

December 11, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	62.00	CARE B; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B+; Stable and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited has been seeking information from Manikyam Poultry Farm to monitor the rating vide e-mail communications/letters dated 7<sup>th</sup> October 2025, 14<sup>th</sup> October 2025, 27<sup>th</sup> October, 2025, 3<sup>rd</sup> November, 2025, 10<sup>th</sup> November, 2025, 14<sup>th</sup> November 2025, 17<sup>th</sup> November 2025, 21 November, 2025 and 27<sup>th</sup> November, 2025 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited's opinion is not sufficient to arrive at a fair rating. The rating on Manikyam Poultry Farm's bank facilities will now be denoted as CARE B; Stable; ISSUER NOT COOPERATING\*.

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

The revision in rating is on account of non-availability of information.

**Analytical approach:** Standalone

**Detailed description of key rating drivers:**

### Key weaknesses

At the time of last rating on December 04, 2024, the following were the rating strengths and weaknesses

#### Modest scale of operations and net worth base

The scale of operations of the firm have remained modest over the years despite being in the business for almost two decades. The scale of operations however improved marginally by 8% from Rs. 65 crores in FY23 to Rs. 70 crores in FY24. The net worth base although improved over the years stood modest at Rs. 13.12 crores as on 31<sup>st</sup> March ,2024. Going forward with the planned capacity expansion, the scale and net worth base is expected to improve further.

#### Large capex plans

The company has exposure to project risk as it has capital expenditure plan to increase its shed capacity, bird cages and purchase additional birds. The size of the project is Rs. 52.00 crores which will be funded by Rs. 38.00 crores of term loan and Rs. 14.00 crores from promoter's funding. The project was started in January-2024 and is expected to be completed by March-2025. Financial closure of the project has been achieved. Thus, timely completion of project within the estimated costs would be a key rating monitorable.

#### Working capital intensive nature of operations

MPF operates in a working capital-intensive industry with high working capital utilisation level. The firm maintains inventory of about two months. Moreover, the operating cycle of the firm stood elongated at 179 days in FY24 as against 169 days in FY23.

#### Partnership nature of business

MPF being a partnership firm has the inherent risk of succession plan and the possibility of withdrawal of capital at the time of personal contingency, which can affect the capital structure. The firm has low net worth of Rs. 13.12 crores as on March 31 ,2024, thus restricting the financial flexibility.

#### Vulnerability of the industry's performance to outbreaks of flu and other diseases.

Avian flu outbreaks such as bird flu can lead to drastic fall in demand followed by crash in poultry prices. At the time of outbreak of the coronavirus, the poultry industry was impacted in the major chicken consuming states. Such scenario could pressurize the company's revenue flows as well as profitability.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## Key strengths

### Extensive experience of partners in the poultry business

Manikyam Poultry Farm is a partnership firm established in the year 2007 by Mr. I. Siva Koti Reddy, K.Rama Mohan Rao and others. Mr. I Siva Koti Reddy and Mr. K.Rama Mohan Rao both have over two decades of experience in the poultry business. Due to long term presence in the market, firm has established relations with customers and suppliers.

### Long existing customer and supplier relationships

The firm has long-established business relationships with its customers and suppliers. The counter party risk for the company is minimized as the company receives its payment within maximum 2 days from its customers and thus have no receivables.

### Liquidity: Stretched

The liquidity profile of the company is stretched marked by modest Gross Cash Accruals (GCA) as against high debt repayment on the back of debt funded ongoing capex. The company reported a GCA of Rs.1.17 crore in FY24 and the company is expected to report similar GCA in FY25. Further the company is expected to report a GCA of Rs.5 crores in FY26 on the back of expected operationalisation of its enhanced capacity by March 2025. As against this the company has a repayment obligation of Rs. 4.50 crores in FY26. Further the average maximum working capital utilization stood high at 87% for the past 12 months ended September-24 which provides low liquidity backup. Further cash and cash equivalents stood low at Rs. 0.18 crores as on 31<sup>st</sup> March,2024. However, CFO stood positive at Rs. 5.81 crores in FY24 (FY23: Rs. -6.32 crores)

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

## Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Food Products	Meat Products including Poultry

Manikyam Poultry Farm is a partnership firm established in the year 2007 by Mr. I. Siva Koti Reddy, K.Rama Mohan Rao and others. The firm is engaged in farming of egg, laying poultry birds (chickens) and trading of eggs, cull birds and their manure. The firm sells its products such as eggs and cull birds to retailers mainly in the cities of Mumbai, Goa, Belgaum and Bangalore.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	65.06	69.64
PBILDT*	3.46	3.99
PAT	0.34	0.38
Overall gearing (times)	2.55	2.02
Interest coverage (times)	1.42	1.46

A: Audited UA: Unaudited; Note: these are latest available financial results

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

**Status of non-cooperation with previous CRA:** Brickwork Ratings has conducted the review on the basis of best available information and has classified Manikyam Poultry Farm as "Not cooperating" vide its press release dated 20th June,2025. The reason provided by Brickwork Ratings is non-furnishing of requisite information for monitoring of ratings.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	21.25	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	Proposed	40.75	CARE B; Stable; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

### Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	21.25	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (04-Dec-24)	1)CARE B+; Stable (26-Dec-23) 2)CARE D; ISSUER NOT COOPERATING* (08-Aug-23)	1)CARE D; ISSUER NOT COOPERATING* (18-Jul-22)
2	Fund-based - LT-Term Loan	LT	40.75	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (04-Dec-24)	1)CARE B+; Stable (26-Dec-23)	-

\*Issuer did not cooperate; based on best available information.

LT: Long term;

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

**Annexure-4: Complexity level of instruments rated**

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

**Annexure-5: Lender details**

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

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

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