

January 30, 2024

Hosachiguru Agri Tech Private Limited: Rating Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Issuer rating	-	-	[ICRA]BB (Stable); withdrawn
Total	-	-	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Hosachiguru Agri Tech Private Limited** at the request of the company, and in accordance with ICRA's policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key Rating Drivers, Liquidity Position, and Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the company's standalone financial profile

About the company

Hosachiguru Agri Tech Private Limited (HAPL), incorporated in July 2013, is a part of the Bangalore-based Hosachiguru Group. Mr. Ashok J, Mr. Sriram Chitlur and Mr. Srinath Rajalbandi are the Directors of the company and are also involved in other entities of the Group, including the flagship, Hosachiguru Enterprises Limited (HEPL). HEPL develops large farmlands into smaller farm plots, which are sold to customers (mostly working professionals), who are interested in owning and maintaining farmlands/houses near the metro cities. HAPL provides farming related services to such customers on an end-to-end basis through a service agreement against payment of fee. The company manages farmlands for several owners across Karnataka, Andhra Pradesh, and Tamil Nadu. As on date, the company is managing over 1,000 acres of land across 20 farm units with more than 850 customers.

Key financial indicators (audited):

HAPL	FY2022	FY2023
Operating Income (Rs. crore)	7.2	9.8
PAT (Rs. crore)	0.7	0.6
OPBDIT/OI (%)	21.6%	16.6%
PAT/OI (%)	10.3%	6.1%
Total Outside Liabilities/Tangible Net Worth (times)	1.9	2.6
Total Debt/OPBDITA (times)	1.6	1.4
Interest Coverage (times)	8.0	7.3

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

SN Instrument			Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
			Amount Rated (Rs. crore)	Amount Outstanding March 31, 2023 (Rs. crore)	Date & Rating in Jan 30, 2024	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
1	Issuer rating	Long-term	-	-	[ICRA]BB(Stable) Withdrawn	[ICRA]BB(Stable)	[ICRA]BB(Stable)	-

Complexity level of the rated instruments

Instrument	Complexity Indicator
Issuer Rating	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Issuer Rating	NA	NA	NA	-	[ICRA]BB (Stable); withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis: Not applicable

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