



## Press Release

### Chanakya Dairy Products Private Limited

April 03, 2023

#### Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	141.00	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR Double B with Negative Outlook Issuer Not Cooperating)	Revised from IVR BBB/ Stable (IVR triple B with Stable Outlook) and moved to the 'Issuer Not Cooperating' category	Simple
<b>Total</b>	<b>141.00 (Rupees one hundred forty- one crore only)</b>			

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

#### Details of Facilities are in Annexure 1

#### Detailed Rationale

The rating revision is because of lack of adequate information regarding Chanakya Dairy Products Private Limited performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

#### Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data & NDS to monitor its assigned rating to the bank facility, vide mail communications January 9, 2023, January 23, 2023, February 28, 2023, March 17, 2023, March 20, 2023, March 22, 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics,



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the company's management has not submitted surveillance fees and all the essential details required for detailed review of the assigned ratings.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term ratings of the bank loan facilities aggregating to INR 141.00 crore of Chanakya Dairy Products Private Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings will be at 'IVR BB+/ Negative ISSUER NOT COOPERATING (IVR Double B plus with Negative outlook Issuer Not Cooperating) based on best available information.

**Analytical Approach & Applicable Criteria:** Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria of Rating Outlook](#)

### **About the Company**

Chanakya Dairy Products Private Ltd.(CDPPL) was established 2004 as an Integrated Project in Dairy Business, the company collaborated with Punjab Agro Industries Corporation Ltd. to set up the project at Mandi Gobindgarh, Punjab. The company is engaged in manufacturing of products like Pasteurized packaged milk, milk powder, dairy whitener, butter, pure ghee, curd, lassi & paneer under HF-SUPER Brand. The company's marketing network consists of distributors & dealers/sub dealers/retailers in the States of Himachal Pradesh, Punjab, Chandigarh, and Haryana. The company is promoted by Mr.Vinod Kumar Dutt, who is also the Managing Director of the company.

### **Financials (Standalone)**

	<b>(INR Crore)</b>	
<b>For the year ended / INR. Crore</b>	<b>31-03-2020</b>	<b>31-03-2021</b>
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	364.69	318.59



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EBITDA	27.64	27.73
PAT	11.31	7.55
Total Debt	77.44	115.60
Tangible Net Worth	62.46	69.75
<b>Ratios</b>		
EBITDA Margin (%)	7.58	8.70
PAT Margin (%)	3.10	2.37
Overall Gearing Ratio (x)	1.23	1.66

\* As per Infomerics Standard

**Status of non-cooperation with previous CRA:** Nil

**Any other information:** Nil

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2022-23)			Rating History for the past 3 years		
		Type	Amount outstanding (INR Crore)	Rating	Date(s) & Rating(s) assigned in 2021-22 Mar 12, 2022	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loans	Long term	96.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB/ Stable	-	-
2.	Working Capital Demand Loan	Long term	43.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB/ Stable	-	-
3.	OCC	Long term	2.00	IVR BB+/ Negative ISSUER NOT COOPERATING*	IVR BBB/ Stable		

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

**Name and Contact Details of the Rating Analyst:**

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### **About Infomerics:**

Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

Infomerics has a pan India presence with Head Office in Delhi, branches in major cities and representatives in several locations.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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### Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan I	-	-	FY22	1.00	IVR BB+/ Negative ISSUER NOT COOPERATING*
Term Loan II	-	-	FY24	14.17	IVR BB+/ Negative ISSUER NOT COOPERATING*
Term Loan III	-	-	FY27	14.50	IVR BB+/ Negative ISSUER NOT COOPERATING*
Term Loan IV	-	-	FY27	22.83	IVR BB+/ Negative ISSUER NOT COOPERATING*
Term Loan V			FY28	14.17	IVR BB+/ Negative ISSUER NOT COOPERATING*
Term Loan VI			FY28	29.33	IVR BB+/ Negative ISSUER NOT COOPERATING*
Working Capital Demand Loan	-	-	-	43.00	IVR BB+/ Negative ISSUER NOT COOPERATING*
OCC				2.00	IVR BB+/ Negative ISSUER NOT COOPERATING*

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

**Annexure 2: Facility wise lender details: Not Applicable**

**Annexure 3: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com)