

December 21, 2023

Tirupur District Co-Operative Milk Producers Union Limited : Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	25.00	25.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	25.00	25.00	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term rating of Tirupur District Co-Operative Milk Producers Union Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B+(Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Tirupur District Co-Operative Milk Producers Union Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, key financial indicator : [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology - FMCG
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Tirupur District Cooperative Milk Producers Union Ltd (SDCMPUL) is owned by Government of Tamil Nadu (33% shareholding) and 472 milk societies of Tirupur District (67% shareholding). Tamil Nadu Dairy Development Corporation Limited was formed in July 1972 to manage the activities such as milk procurement, processing and marketing of the milk and milk products. It was demerged from Erode and Coimbatore union in December 2018.

The Department of Dairy Development in Tamil Nadu was set up in the year 1958. The Tamil Nadu Dairy Development Corporation Limited was formed in July 1972 to manage the activities such as milk procurement, processing and marketing of the milk and milk products. Based on the “Anand” pattern, Tamil Nadu Co-operative Milk Producers’ Federation (TCMPF) was formed in February’1981 as an apex body of three tier cooperatives set up in Tamil Nadu and the District level milk producer unions were formed in the year 1982. The commercial activities of Tamil Nadu Dairy Development Corporation Ltd. were transferred to the newly registered Tamil Nadu Co-operative Milk Producers' Federation Limited (TCMPF), popularly known as "Aavin".

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021	
					Dec 21 , 2023	Oct 14, 2022	Sep 21, 2021	-	
1.	Fund Based – Cash Credit	Long Term	25.00	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable)	-	

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term – Fund Based – Cash Credit	Simple

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, is available on ICRA's website: [Click Here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Long Term – Fund Based – Cash Credit	-	-	-	25.00	[ICRA]B+(Stable);ISSUER NOT COOPERATING

Source: Tirupur District Co-Operative Milk Producers Union Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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