

September 06, 2024

## Adya Dairy Products Private Limited: Moved to Non-Cooperating category, Ratings downgraded based on best available information

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund based-TL	1.05	1.05	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable) moved to 'Issuer Not Cooperating' category
Long-term/Short-term Fund based – WC Limits	12.00	12.00	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING*; Ratings downgraded from [ICRA]BB+ (Stable)/ [ICRA]A4+ and moved to "ISSUER NOT COOPERATING*" category
Long-term – Unallocated	6.95	6.95	[ICRA]B+ (Stable); ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable) moved to 'Issuer Not Cooperating' category
<b>Total</b>	<b>20.00</b>	<b>20.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The rating downgrade is because of lack of adequate information regarding **Adya Dairy Products Private Limited's** performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at [www.icra.in](http://www.icra.in). 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 entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with **Adya Dairy Products Private Limited**, ICRA has been trying to seek information from the entity so as to monitor its performance, but 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 downgraded and moved 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 the Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [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	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	The ratings assigned to ADPPL factors in the likelihood of the Shalimar Group extending managerial and financial support to it. ADPPL holds high strategic importance for the Shalimar Group's dairy segment operations. ICRA expects the Shalimar Group to be willing to extend financial support to ADPPL to protect its reputation from the consequences of a Group entity's distress
Consolidation/Standalone	Standalone

## About the company

ADPPL, incorporated in 2012, is a part of the Kolkata-based Shalimar Group, which has presence across soya extraction and refining, poultry and aqua-feed manufacturing, breeder farming, hatching, broiler farming, chicken processing and layer farming. The Group forayed into the dairy sector through ADPPL. The company is involved in the processing of milk, with an integrated dairy plant capable of handling over 1,50,000 litres of milk per day. The milk collected through the chilling centres across villages is processed and packed at the dairy plant, which is in Howrah, West Bengal. At present, its product portfolio includes pasteurised liquid milk in different varieties like toned, double toned, cow and standardised. Other products include VADPs like paneer, ghee, dahi, lassi and skimmed milk powder. It distributes its products in and around West Bengal. The products are sold under the brand name Adya. The company is also planning to launch bakery items under the same brand name, with support of third-party manufacturers. ADPPL also acts as a contract manufacturer of VADPs for ITC Limited.

## Status of non-cooperation with previous CRA: Not applicable

Any other information: None

## Rating history for past three years

	Current (FY2025)			Chronology of rating history for the past 3 years		
Instrument	Type	Amount Rated (Rs Crore)	Sep 06, 2024	Date & Rating in FY2024	Date & Rating in FY2023	Date & Rating in FY2022
				Jul 24, 2023	May 17, 2022	-
Term Loans	Long Term	1.05	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	-
WC Limits	Long Term/ Short Term	12.00	[ICRA]B+ (Stable)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)/ [ICRA]A4+	[ICRA]BBB- (Stable)/ [ICRA]A3	-
Unallocated	Long Term	6.95	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)	[ICRA]BBB- (Stable)	-

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loans	Simple
Working Capital Limits	Simple
Unallocated Limits	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, is available on ICRA's website: [Click Here](#)

#### Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	FY 2020	-	FY2024	1.05	[ICRA]B+ (Stable) ISSUER NOT COOPERATING
NA	Working Capital Limits	-	-	-	12.00	[ICRA]B+ (Stable)/[ICRA]A4 ISSUER NOT COOPERATING
NA	Unallocated Limits	-	-	-	6.95	[ICRA]B+ (Stable) ISSUER NOT COOPERATING

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

#### Annexure-II: 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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### Branches



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