

January 16, 2020

Srichakra Milk Products LLP: Rating Withdrawn

Summary of rated instruments

| Instrument | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action |
|----------------------------|--------------------------------------|-------------------------------------|------------------------------------------------------|
| Long Term - Fund Based/ CC | 2.00 | 2.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |
| Long Term – Fund Based TL | 5.00 | 5.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |
| Long Term – Unallocated | 2.00 | 2.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |
| Total | 9.00 | 9.00 | |

Rationale

The long-term rating assigned to Srichakra Milk Products LLP have been withdrawn at the request of the company, based on the no-objection certificate provided by its banker. ICRA is withdrawing the rating and that it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. ICRA has withdrawn the Stable outlook on the long-term rating.

Key rating drivers

Key Rating drivers has not been captured as the rating is being withdrawn

Liquidity Position:

Not captured as the rating is being withdrawn.

Rating sensitivities

Not captured as the rating is being withdrawn

Analytical approach:

| Analytical Approach | Comments |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Applicable Rating Methodologies | Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating |
| Parent/Group Support | NA |
| Consolidation / Standalone | NA |

About the company:

Srichakra Milk Products LLP (SMP) was set up in 2014 by Mr Chepuri Mallikarjunarao. The firm is engaged in the processing of milk having a capacity of around 1 lakh litre per day (LLPD). The firm currently has two manufacturing units each having a capacity of around 50000 LPD. The firm started its business by trading in raw milk which was purchased from farmers and supplied to cooperatives. In October 2014, the firm took a unit on lease having a capacity of 50 kl per day and started milk processing. Later the firm started setting up its own manufacturing unit at West Godavari which became operational in April 2015.

Key financial indicators (Audited): Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

| | Instrument | | | | Rating (FY2020) | Rating History for the Past 3 Years | | |
|---|-------------|-----------|--------------|--------------------|------------------------------------------------------|-------------------------------------------|-------------------------------------------|--------|
| | | Type | Amount Rated | Amount Outstanding | Current Rating | FY2019 | FY2018 | FY2017 |
| | | | | | January 16, 2020 | January 30, 2019 | July 12, 2017 | - |
| 1 | Cash Credit | Long Term | 2.00 | - | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | - |
| 2 | Term Loan | Long Term | 5.00 | - | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | - |
| 3 | Unallocated | Long Term | 2.00 | - | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | [ICRA]BB-(Stable); ISSUER NOT COOPERATING | - |

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

| ISIN No | Instrument | Type | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook |
|---------|-------------|-----------|-----------------------------|-------------|---------------|--------------------------|------------------------------------------------------------|
| NA | Cash Credit | Long Term | - | - | - | 2.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |
| NA | Term Loan | Long Term | - | - | - | 5.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |
| NA | Unallocated | Long Term | - | - | - | 2.00 | [ICRA]BB-(Stable); ISSUER NOT COOPERATING; Withdrawn |

Source: Srichakra Milk Products LLP

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