

Jagath Milk Dairy

August 18, 2022

Ratings

| Facilities/Instruments | Amount (Rs. crore) | Rating ¹ | Rating Action |
|------------------------------|--|---|--|
| Long Term Bank Facilities | 9.87 | CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable; ISSUER NOT COOPERATING*) | Rating continues to remain under ISSUER NOT COOPERATING category |
| Total Bank Facilities | 9.87 (Rs. Nine Crore and Eighty-Seven Lakhs Only) | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 08, 2021, placed the rating(s) of Jagath Milk Dairy (JMD) under the 'issuer non-cooperating' category as JMD had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. JMD continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 24, 2022, June 03, 2022, June 13, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of the key rating drivers

Please refer to PR dated [July 08, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Firm

Jagath Milk Dairy (JMD) was established in the year 2013. Currently, the partners of the firm are Mr. Bhuma Jagath Vikhyath Reddy and Ms. Bhuma Akkhila Priya (D/o. Mr Bhuma Nagi Reddy). The firm is engaged in processing and trading of the milk and milk products like Milk, Curd, and Butter Milk. The firm purchases the milk from local traders and sells the products in Mahabunagar, Kadapa, Anantapur Kurnool District.

| Brief Financials (Rs. crore) | FY20 (A) | FY21 (A) | FY22 (Prov.) | Q1FY23 (Prov.) |
|------------------------------|----------|----------|--------------|----------------|
| Total operating income | NA | NA | NA | NA |
| PBILDT | NA | NA | NA | NA |
| PAT | NA | NA | NA | NA |
| Overall gearing (times) | NA | NA | NA | NA |
| Interest coverage (times) | NA | NA | NA | NA |

A: Audited, Prov.: Provisional, NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this firm: Annexure-4

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating Assigned along with Rating Outlook |
|--------------------------------|------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan | | - | - | April 2019 | 0.26 | CARE C; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Bank Overdraft | | - | - | - | 9.00 | CARE C; Stable; ISSUER NOT COOPERATING* |
| Fund-based - LT-Term Loan | | - | - | April 2019 | 0.61 | CARE C; Stable; ISSUER NOT COOPERATING* |

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/ Bank Facilities | Current Ratings | | Rating History | | | | |
|---------|---|-----------------|--------------------------------|---|---|---|---|--|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) and Rating(s) assigned in 2022-2023 | Date(s) and Rating(s) assigned in 2021-2022 | Date(s) and Rating(s) assigned in 2020-2021 | Date(s) and Rating(s) assigned in 2019-2020 |
| 1 | Fund-based - LT-Term Loan | LT | 0.26 | CARE C; Stable; ISSUER NOT COOPERATING* | - | 1)CARE C; Stable; ISSUER NOT COOPERATING* (08-Jul-21) | 1)CARE C; Stable; ISSUER NOT COOPERATING* (22-May-20) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Apr-19) |
| 2 | Fund-based - LT-Bank Overdraft | LT | 9.00 | CARE C; Stable; ISSUER NOT COOPERATING* | - | 1)CARE C; Stable; ISSUER NOT COOPERATING* (08-Jul-21) | 1)CARE C; Stable; ISSUER NOT COOPERATING* (22-May-20) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Apr-19) |
| 3 | Fund-based - LT-Term Loan | LT | 0.61 | CARE C; Stable; ISSUER NOT COOPERATING* | - | 1)CARE C; Stable; ISSUER NOT COOPERATING* (08-Jul-21) | 1)CARE C; Stable; ISSUER NOT COOPERATING* (22-May-20) | 1)CARE B+; Stable; ISSUER NOT COOPERATING* (01-Apr-19) |

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable**Annexure-4: Complexity level of various instruments rated for this firm**

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|--------------------------------|------------------|
| 1 | Fund-based - LT-Bank Overdraft | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |

Annexure-5: Bank Lender Details for this firm

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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