

April 28, 2023

Shree Chhatrapati Shahu Sahakari Sakhar Karkhana Limited: Moved to Non-Cooperation category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based -CC	50.0	50.0	[ICRA]BB- (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable) and moved to the 'Issuer Not Cooperating' category
Long Term – Fund Based - Term Loan	50.0	50.0	[ICRA]BB- (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BB+ (Stable) and moved to the 'Issuer Not Cooperating' category
Total	100.0	100.0	

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

[^]Instrument details are provided in Annexure-1

Rationale

ICRA has moved the rating for the bank facilities of Shree Chhatrapati Shahu Sahakari Sakhar Karkhana Limited (SCSSSKL) to the 'Issuer Not Cooperating' category. The rating is downgraded to [ICRA]BB-(Stable) ISSUER NOT COOPERATING from [ICRA]BB+ (Stable).

The rating downgrade is because of lack of adequate information regarding SCSSSKL'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.

As a part of its process and in accordance with its rating agreement with SCSSSKL, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated 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, a rating view has been taken on the entity based on the best available information.

Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The ratings action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

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	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity
Parent/Group Support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of SCSSSKL

About the company

Incorporated in 1977, the company started with a crushing capacity of 1250 TCD. It was converted into a multi-state co-operative society in 2006. The company has more than 15,000 cane producing members and more than 20,000 cane suppliers. The company has 91 villages (82 from Maharashtra and 9 from Karnataka) in the area of operation. Its current cane crushing capacity stands at 7500 TCD. It has also forward integrated into distillery operation (60 KLPD) and power co-generation operations (27.5 MW).

Status of non-cooperation with previous CRA:

Other CRA	Rating
CARE	CARE C; Stable; ISSUER NOT COOPERATING on September 13, 2022

Any other information: None

Rating history for past three years

SN	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding as on March 31,2023 (Rs. crore)	Chronology of Rating History for the past 3 years			
					Current Rating (FY2024)			
					Date & Rating in FY2024	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020
					28-Apr-2023	28-Jan-2022	28-Oct-2020	23-Mar-2020
1	Term Loans	Long Term	50.00	12.49	[ICRA]BB- (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)	[ICRA]BBB- (Negative)
2	Cash Credit	Long Term	50.00	-	[ICRA]BB- (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)	[ICRA]BBB- (Negative)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term loans	Simple
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 analyzing 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	Coupon Rate	Maturity	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term loans	FY2014	-	FY2026	50.00	[ICRA]BB- (Stable); ISSUER NOT COOPERATING
NA	Cash credit	-	-	-	50.00	[ICRA]BB- (Stable); ISSUER NOT COOPERATING

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Consolidation Approach
NA	NA

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About ICRA Limited:

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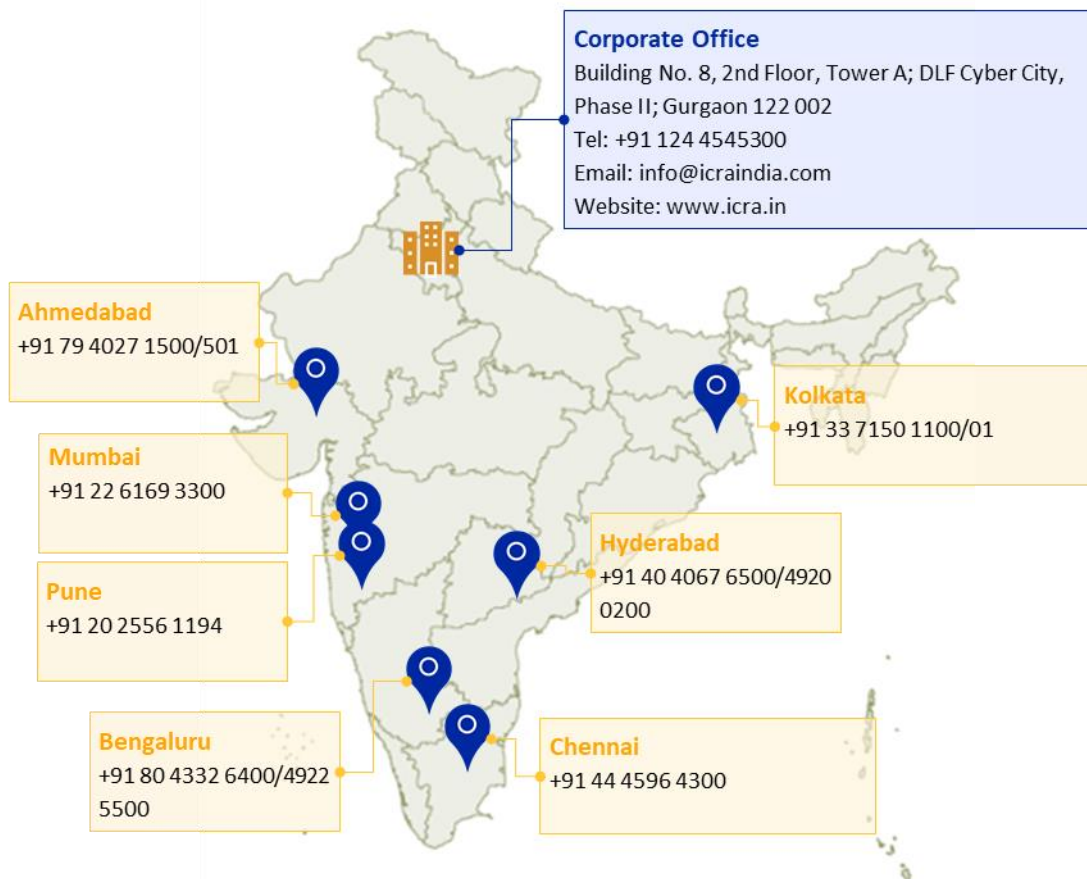
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