

August 06, 2021

Rana Sugars Limited: Ratings Withdrawn

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based- Cash Credit	502.20	502.20	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category . Rating Withdrawn
Long Term-Fund Based- Term Loans	104.87	104.87	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category . Rating Withdrawn
Long Term – Unallocated	81.13	81.13	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category . Rating Withdrawn
Short Term-Non Fund Based-BGs and LCs	31.80	31.80	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category . Rating Withdrawn
Total	720.00	720.00	

^{*}Instrument details are provided in Annexure-1

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of Rana Sugars Limited at the request of the company and based on the No Due Certificate and No Objection Certificates received from its bankers. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, Key financial indicators have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology Policy on Default Recognition
Parent/Group Support	Not applicable
Consolidation/Standalone	Standalone

About the company

RSL is engaged in the business of manufacturing sugar and undertaking the allied businesses of cogeneration and distillery. Incorporated in July 1991, RSL was promoted by Rana Gurjeet Singh and Rana Ranjit Singh as a joint venture with Punjab Agro Industrial Corporation Ltd. (PAIC). At present, the company is being managed under the managing directorship of Rana Inder Pratap Singh. PAIC divested its stake in Rana Sugars during FY2005 by selling its stake to the promoters, as per the provisions of the Financial Collaboration Agreement.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
					August 06, 2021	-	Mar 11, 2020	Dec 28, 2018
1	Cash Credit	Long Term	502.20	-	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING
2	Term Loan	Long Term	104.87	-	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING
3	Non fund based limits	Short Term	31.80	-	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING
4	Unallocated limits	Long Term	81.13	-	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING

Amount in Rs. Crore

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Non fund based limits	Very 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: www.icra.in

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	Cash Credit	-	-	-	502.20	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn
NA	Term Loan	-	-	-	104.87	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn
NA	Non fund based limits	-	-	-	31.80	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn
NA	Unallocated limits	-	-	-	81.13	[ICRA]D ISSUER NOT COOPERATING Rating Withdrawn

Source: Rana Sugars Limited

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

ANALYST CONTACTS

Sabyasachi Majumdar

+91-12 4454 5304

sabyasachi@icraindia.com

Subhechha Banerjee

+91 33 7150 1151

subhechha.banerjee@icraindia.com

Naman Bhansari

+079-4027 1555

naman.bhansari@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



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