

April 10, 2023

Rajarambapu Patil Sahakari Sakhar Karkhana Limited: Rating moved to Issuer Not Cooperating category

Summary of rating action

Instrument**	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term - Fund-based Cash Credit	500.00	500.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating moved to 'Issuer Not Cooperating' category
Total	500.00	500.00	

**Instrument details are provided in Annexure-1

*Issuer did not cooperate

Rationale

ICRA has retained the ratings for the bank facilities of **Rajarambapu Patil Sahakari Sakhar Karkhana Limited** in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with **Rajarambapu Patil Sahakari Sakhar Karkhana Limited**, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. 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 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 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 Rating Methodology for Entities in the Sugar Industry
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statement

About the company

RPSSK was established in 1968 under the Maharashtra Co-operative Society Act, 1960 as Walwa Taluka Sahakari Sakhar Karkhana Limited to undertake sugar production in Sangli, Maharashtra. The name was subsequently changed to Rajarambapu Patil Sahakari Sakhar Karkhana Limited. RPSK is a part of the Sangli-based Rajarambapu Group, which is present in businesses like sugar, dairy and co-operative banking. RPSSK has sugar mills at four locations - Sakhrale, Wategaon, Karandwadi and Jath - in Sangli with a total sugarcane crushing capacity of 17,000 TCD along with a 75-KLPD distillery plant and a 40-MW cogeneration unit. Further, the company is in the process of expanding its distillery capacity to 100 KLPD from 75KLPD, which is likely to be operational from October 2022.

In FY2021, the company reported a net profit of Rs. 7.0 crore on an operating income (OI) of Rs. 1064.5 crore compared with a net profit of Rs. 6.9 crore on an OI of Rs. 930.2 crore in the previous year.

Status of non-cooperation with previous CRA:

CRA's	PR Date	Rating
CARE	December 02, 2022	CARE B-; ISSUER NOT COOPERATING

Any other information: None

Rating history for past three years

Instrument		Current rating (FY2024)			Chronology of rating history for the past 3 years			
		Type	Amount rated (Rs. crore)	Amount outstanding (Rs. Crore)	Date & rating in FY2024	Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020
					Apr 10, 2023	Feb 25, 2022	Nov 27, 2020	Jun 10, 2019
1	Cash Credit	Long Term	500.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable)	[ICRA]BB-(Stable)	[ICRA]BB-(Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – 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 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 are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	500.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Company

Annexure II: List of entities considered for consolidated analysis: Not Applicable

ANALYST CONTACTS

Sabyasachi Majumdar
+91 124 4545 304
sabyasachi@icraindia.com

Girishkumar Kadam
+ 91 22 6114 3441
girishkumar@icraindia.com

Anupama Arora
+91 124 4545 303
anupama@icraindia.com

Menka Sabnani
91 79 4027 1562
menka.sabnani@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

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.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

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



Branches



© Copyright, 2023 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.