

March 20, 2024

MULA Sahakari Sakhar Karkhana Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term / Short Term-Fund Based-Cash Credit	90.00	90.00	[ICRA]B- (Stable); ISSUER NOT COOPERATING*/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	10.00	10.00	[ICRA]B- (Stable); ISSUER NOT COOPERATING*/[ICRA]A4; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	100.00	100.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of MULA Sahakari Sakhar Karkhana Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with MULA 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 continued 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	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology - Sugar
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 1970, Mula Sahakari Sakhar Karkhana Limited (MSSKL) is located in the Ahmednagar district of Maharashtra. The company has a sugar mill with a crushing capacity of 5,000 tonnes crushing per day (TCD). It has more than 17,000 cane producing members, with 87 villages under its command area. The sugar mill is also forward integrated with a distillery of 30

KLPD capacity and co-generation unit of 30 MW capacity. The company has recently incurred debt-funded brownfield capex to increase the capacity of distillery from 30KLPD to 45 KLPD, which will be available from SY2022.

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CRISIL	CRISIL B (Stable); ISSUER NOT COOPERATING	April 26, 2023

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				20-Mar-2024	23-Jan-2023	29-Oct-2021	01-Jul-2020
1 Cash Credit	Long Term/ Short Term	90.00	-	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B- (Stable)/ [ICRA]A4;	[ICRA]B+ (Stable)/ [ICRA]A4;
2 Unallocated	Long Term/ Short Term	10.00	-	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]B- (Stable)/ [ICRA]A4;	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated	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: [Click Here](#)

Annexure-I: 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	-	-	-	90.00	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	10.00	[ICRA]B- (Stable); ISSUER NOT COOPERATING/ [ICRA]A4; ISSUER NOT COOPERATING

Source: MULA Sahakari Sakhar Karkhana Limited

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

ANALYST CONTACTS

Girishkumar Kadam
+91 124 4545 304
girishkumar@icraindia.com

Subhechha Banerjee
+91 33 7150 1130
subhechha.banerjee@icraindia.com

Susmita Biswas
+91-033 7150 1182
susmita.biswas@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91-022-61693300
shivakumar@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.

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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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