March 11, 2020

Rana Sugars Limited: Continues to remain under Non-Cooperating category

Summary of rating action:

Instruments	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
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
Long Term Unallocated	81.13	81.13	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under the 'Issuer Not Cooperating' category
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
Total	**720.00**	**720.00**	

*Issuer did not co-operate; based on best available information.

Rationale

The ratings for the Rs. 720.00 crore bank facilities of Rana Sugars Limited to remain under Issuer Not Cooperating category. The long-term and short-term ratings are denoted as [ICRA]D/[ICRA]D ISSUER NOT COOPERATING (pronounced ICRA D Issuer not cooperating)

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. The current rating action has been taken by ICRA basis dated information on the issuers' performance. 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.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity 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.

The previous detailed rating rationale is available on the following link: Click here

Rating history for past three years

S. No	Name of Instrument	Type	Current Rating (FY2020)			Chronology of Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in FY2019	FY2018	FY2017
			(Rs. crore)		March 11, 2020	December 28, 2018	June 20, 2017	May 11, 2016
1	Fund-based Limits	Long-term	607.07	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D	[ICRA]D
2	Non fund based limits	Short-term	31.80	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D	[ICRA]D
3	Unallocated limits	Long-term	81.13	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D	[ICRA]D

All figures in Rs. crore

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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.

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