

Press Release

Sri Kanakadurga Oil Mill (SKOM)

December 05, 2017

Rating Update



Total Bank Facilities Rated*	Rs.14.40 Cr. #
Long Term Rating	SMERA B Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information

SMERA has reviewed long-term rating of '**SMERA B' (read as SMERA B)** on the Rs. 14.40 crore bank facilities of Sri Kanakadurga Oil Mill (SKOM). This is an indicative rating.

Non-cooperation by the issuer/borrower

SMERA has been requesting for data, information and undertakings from the rated entity for conducting surveillance and review of the rating. However, the issuer/borrower failed to submit required documents before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and SMERA's policies.

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Trading entities - <https://www.smera.in/criteria-trading.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

The Karnataka-based SKOM established in April 2003 is headed by Mr. G. Srinivasa Rao and G. Aruna Devi who possess experience of around 15 years in the industry. The firm has installed capacity of 100 tons/day with current utilisation of 60 per cent. The products are sold under the 'Sun Dhara, Aroghya Dhara, KDM Gold' and 'Sun Vishwas' brand names.

The firm registered operating income of Rs.61.27 crore for FY2014-15 with profit after tax (PAT) of Rs.0.06 crore in FY2015 as against operating income of Rs.57.50 crores with profit after tax (PAT) of Rs.0.06 crores. Further, As per FY2015-16 (Provisional), profit after tax (PAT) stands at Rs.0.08 crores on operating income of Rs.65.44 crores.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
14-Sep-2016	Cash Credit	Long Term	12.00	SMERA B / Stable (Assigned)
	Proposed	Long Term	2.40	SMERA B / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	12.00	SMERA B Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	2.40	SMERA B Issuer not co-operating*

*The issuer did not co-operate; based on best available information

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ABOUT SMERA

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