

**Press Release**  
**Sri Kanakadurga Oil Mill**  
**September 01, 2022**



**Rating Reaffirmed and Issuer not co-operating**

| Product                            | Quantum<br>(Rs. Cr) | Long Term Rating                                 | Sh |
|------------------------------------|---------------------|--|----|
| Bank Loan Ratings                  | 14.40               | ACUITE B   Reaffirmed   Issuer not co-operating* | -  |
| Total Outstanding Quantum (Rs. Cr) | 14.40               | -  | -  |
| Total Withdrawn Quantum (Rs. Cr)   | 0.00                | -  | -  |

**Rating Rationale**

Acuite has reaffirmed the long-term rating of '**ACUITE B**' (read as **ACUITE B**) on the Rs. 14.40 crore bank facilities of Sri Kanakadurga Oil Mill (SKOM). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

**About the Company**

The Karnataka-based Sri Kanakadurga Oil Mill (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.

**Non-cooperation by the issuer/borrower:**

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and non cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

**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). Acuite has endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

**About the Rated Entity - Key Financials**

The rated entity has not shared the latest financial statements despite repeated requests.

**Rating Sensitivity**

No information provided by the issuer / available for Acuite to comment upon.

**Material Covenants**

Not Applicable.

**Liquidity Position**

No information provided by the issuer / available for Acuite to comment upon.

**Outlook**

Not Applicable.

**Other Factors affecting Rating**

None.

**Status of non-cooperation with previous CRA**

None.

**Any other information**

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

**Applicable Criteria**

- Trading Entities: <https://www.acuite.in/view-rating-criteria-61.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

**Note on Complexity Levels of the Rated Instrument**

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

| Date        | Name of Instruments/Facilities | Term      | Amount (Rs. Cr) | Rating/Outlook                       |
|-------------|--------------------------------|-----------|-----------------|--------------------------------------|
| 08 Jun 2021 | Cash Credit                    | Long Term | 12.00           | ACUITE B ( Issuer not co-operating*) |
|             | Proposed Bank Facility         | Long Term | 2.40            | ACUITE B ( Issuer not co-operating*) |
| 16 Mar 2020 | Cash Credit                    | Long Term | 12.00           | ACUITE B (Issuer not co-operating*)  |
|             | Proposed Bank Facility         | Long Term | 2.40            | ACUITE B (Issuer not co-operating*)  |
| 10 Jan 2019 | Cash Credit                    | Long Term | 12.00           | ACUITE B (Issuer not co-operating*)  |
|             | Term Loan                      | Long Term | 2.40            | ACUITE B (Issuer not co-operating*)  |
| 05 Dec 2017 | Cash Credit                    | Long Term | 12.00           | ACUITE B (Issuer not co-operating*)  |
|             | Proposed Bank Facility         | Long Term | 2.40            | ACUITE B (Issuer not co-operating*)  |
| 14 Sep 2016 | Cash Credit                    | Long Term | 12.00           | ACUITE B   Stable (Assigned)         |
|             | Proposed Bank Facility         | Long Term | 2.40            | ACUITE B   Stable (Assigned)         |

## Annexure - Details of instruments rated

| Lender's Name       | ISIN           | Facilities                       | Date Of Issuance | Coupon Rate    | Maturity Date  | Quantum (Rs. Cr.) | Rating   |
|---------------------|----------------|----------------------------------|------------------|----------------|----------------|-------------------|--|
| Union Bank of India | Not Applicable | Cash Credit                      | Not Applicable   | Not Applicable | Not Applicable | 12.00             | ACUITE B<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |
| Not Applicable      | Not Applicable | Proposed Long Term Bank Facility | Not Applicable   | Not Applicable | Not Applicable | 2.40              | ACUITE B<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |

## Contacts

| Analytical  | Rating Desk  |
|---|--|
| <p>Pooja Ghosh<br/>Vice President-Rating Operations<br/>Tel: 022-49294041<br/><a href="mailto:pooja.ghosh@acuite.in">pooja.ghosh@acuite.in</a></p> <p>Abhishek Singh<br/>Analyst-Rating Operations<br/>Tel: 022-49294065<br/><a href="mailto:abhishek.s@acuite.in">abhishek.s@acuite.in</a></p> | <p>Varsha Bist<br/>Senior Manager-Rating Operations<br/>Tel: 022-49294011<br/><a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a></p> |

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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