

Press Release

The Krishna Sahakari Sakkare Karkhane Niyamit

January 15, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 311.00 Cr. #
Long Term Rating	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*

Refer Annexure for details

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

Acuite has downgraded long-term rating to '**ACUITE B-**' (read as **ACUITE B minus**) from '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 311.00 crore bank facilities of THE KRISHNA SAHAKARI SAKKARE KARKHANE NIYAMIT (KSSKN). The rating downgrade is on account of information risk. This rating is now an indicative rating and is based on best available information.

The Krishna Sahakari Sakkare Karkhane Niyamit (KSSKN) was registered in March 1981 as a co-operative society under the Karnataka Cooperative Societies Act, 1959. The society has a sugar mill with an installed capacity of 5500 TCD and 27 MW co-gen plant.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.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). Acuite 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

	Unit	FY19 (Actual)	FY18 (Actual)
Operating Income	Rs. Cr.	193.31	227.57
PAT	Rs. Cr.	15.07	1.17
PAT Margin	(%)	7.79	0.52
Total Debt/Tangible Net Worth	Times	2.17	7.25
PBDIT/Interest	Times	2.10	1.94

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
12-Nov-2018	Cash Credit	Long Term	100.00	ACUITE B/Stable (Assigned)
	Cash Credit	Long Term	50.00	ACUITE B/Stable (Assigned)
	Term Loans	Long Term	38.57	ACUITE B/Stable (Assigned)
	Term Loans	Long Term	104.49	ACUITE B/Stable (Assigned)
	Term Loans	Long Term	17.94	ACUITE 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	100.00	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	38.57	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	104.49	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*
Term Loans	Not Applicable	Not Applicable	Not Applicable	17.94	ACUITE B- (Downgraded from ACUITE B) Issuer not co-operating*

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

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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