



Press Release
Belgaum Sugars Private Limited
October 04, 2023

Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	246.37	ACUITE BB Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	246.37	-	-

Rating Rationale

Acuite has downgraded its long term rating to '**ACUITE BB**' (read as **ACUITE double B**)' on the Rs 246.37 crore bank facilities of Belgaum Sugars Private Limited. This rating is now an indicative rating and is based on best available information and downgraded on account of information risk .

About the Company

Belgaum Sugars Private Limited (BSPL), was incorporated in 2007 and is a wholly owned subsidiary of Satish Sugar Limited (SSL) based in Karnataka. The commercial operations of the company commenced in November, 2016. BSPL is engaged in the production of sugar and its sugar plant located in Belagavi district, in the state of Karnataka with the installed capacity of 3500 tonnes crushed per day (TCD) and power cogeneration with capacity of 14 MW.

About the Group

Incorporated in 2000, Satish Sugar Limited (SSL) was engaged in the production of sugar and its sugar plant located in Belagavi district, in the state of Karnataka with the installed capacity of and has crushing capacity of 10000 TCD, distillery of 90 kilo liters per day (KLPD) and a co- generation plant of 31 MW.

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 noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

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 ratings is based.

Rating Sensitivities

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

All Covenants

None

Liquidity Position

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

Outlook

Not Applicable

Other Factors affecting Rating

Not Applicable

Key Financials

Particulars	Unit	FY 22 (Provisional)	FY 21 (Actual)
Operating Income	Rs. Cr.	1052.90	815.15
PAT	Rs. Cr.	36.82	13.25
PAT Margin	(%)	3.50	1.62
Total Debt/Tangible Net Worth	Times	2.09	2.26
PBDIT/Interest	Times	2.00	1.51

Status of non-cooperation with previous CRA

None

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Jul 2022	Term Loan	Long Term	28.17	ACUITE BB+ Positive (Reaffirmed)
	Cash Credit	Long Term	90.00	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	15.55	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	5.05	ACUITE BB+ Positive (Reaffirmed)
	Proposed Bank Facility	Long Term	4.54	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	9.38	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	1.29	ACUITE BB+ Positive (Reaffirmed)
	Term Loan	Long Term	28.00	ACUITE BB+ Positive (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE BB+ Positive (Reaffirmed)
	Cash Credit	Long Term	50.00	ACUITE BB+ Positive (Reaffirmed)
	Working Capital Term Loan	Long Term	6.39	ACUITE BB+ Positive (Reaffirmed)
30 Apr 2021	Cash Credit	Long Term	8.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	67.48	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	3.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	15.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	14.37	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	35.17	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	28.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	30.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Term Loan	Long Term	45.35	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
30 Jan 2020	Term Loan	Long Term	35.17	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	3.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	67.48	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	28.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE BB Stable (Reaffirmed)
		Long		

	Term Loan	Term	45.35	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	14.37	ACUITE BB Stable (Reaffirmed)
20 Jan 2020	Term Loan	Long Term	45.35	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	35.17	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	28.00	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	3.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	8.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	14.37	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	22.00	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
SVC Co-Op Bank Limited	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	90.00	ACUITE BB Downgraded Issuer not co-operating*
Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	50.00	ACUITE BB Downgraded Issuer not co-operating*
The Belagavi District Central Co-Operative Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE BB Downgraded Issuer not co-operating*
Indian Renewable Energy Development Agency Ltd. (IREDA)	Not Applicable	Covid Emergency Line.	Not Applicable	Not Applicable	Not Applicable	Simple	6.39	ACUITE BB Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	4.54	ACUITE BB Downgraded Issuer not co-operating*
The Bagalkot District Central Co-Operative Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	15.55	ACUITE BB Downgraded Issuer not co-operating*
The Belagavi District Central Co-Operative Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	5.05	ACUITE BB Downgraded Issuer not co-operating*
The Belagavi District Central Co-Operative Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	9.38	ACUITE BB Downgraded Issuer not co-operating*
The Belagavi District Central Co-Operative Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	1.29	ACUITE BB Downgraded Issuer not co-operating*
Gokak Credit Souhard Sahakari Niyamit	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	28.00	ACUITE BB Downgraded Issuer not co-operating*
Indian								ACUITE BB

Renewable Energy Development Agency Ltd. (IREDA)	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	28.17	Downgraded Issuer not co-operating*
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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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