



Press Release

Sri Chamundeswari Sugars Limited
July 15, 2024

Rating Reaffirmed, Withdrawn & Issuer Not Cooperating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.68	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	-
Bank Loan Ratings	1.19	Not Applicable Withdrawn	-
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	10.87	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) on Rs.9.68 crore bank facilities of Sri Chamundeswari Sugars Limited and withdrawn the long-term facilities of Rs.1.19 crore without assigning any rating as it is a proposed facility of Sri Chamundeswari Sugars Limited. The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the banker.

About the Company

SCSL incorporated in 1970, is a Bangalore based company promoted by Dr. N Mahalingam of ABT Group, is engaged in manufacturing of sugar, ENA, and Co-generation power. The company has two manufacturing units, one at K M Doddi (Mandya District) and the other at Hemavathi (Hassan District) and the registered office is at Bangalore. The company has an installed capacity to manufacture sugar of 8500 TCD, distillery unit of 50 KLPD, and Cogeneration power unit of 47 MW.

Unsupported Rating

Not Applicable

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

Rating Sensitivity

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

Liquidity Position

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

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	622.89	516.97
PAT	Rs. Cr.	6.52	5.18
PAT Margin	(%)	1.05	1.00
Total Debt/Tangible Net Worth	Times	2.63	2.77
PBDIT/Interest	Times	1.58	1.43

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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
24 May 2024	Cash Credit	Long Term	5.00	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB- Stable)
	Proposed Long Term Bank Facility	Long Term	1.19	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB- Stable)
	Term Loan	Long Term	4.68	ACUITE B+ (Downgraded & Issuer not co-operating* from ACUITE BB- Stable)
24 Feb 2023	Cash Credit	Long Term	5.00	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Cash Credit	Long Term	4.00	ACUITE Not Applicable (Withdrawn)
	Term Loan	Long Term	4.47	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
	Proposed Long Term Bank Facility	Long Term	1.40	ACUITE BB- Stable (Upgraded from ACUITE B+ Stable)
07 Feb 2022	Cash Credit	Long Term	4.00	ACUITE B+ Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE B+ Stable (Assigned)
	Term Loan	Long Term	5.87	ACUITE B+ 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
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.19	Not Applicable Withdrawn
Indian Bank	Not avl. / Not appl.	Term Loan	28 Mar 2022	Not avl. / Not appl.	15 Mar 2028	Simple	4.68	ACUITE B+ Reaffirmed & Withdrawn 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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