

April 10, 2023

Rajarambapu Patil Sahakari Sakhar Karkhana Limited: Rating moved to Issuer Not Cooperating category

Summary of rating action

Instrument**	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term - Fund-based Cash Credit	500.00	500.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Rating moved to 'Issuer Not Cooperating' category
Total	500.00	500.00	

**Instrument details are provided in Annexure-1

*Issuer did not cooperate

Rationale

ICRA has retained the ratings for the bank facilities of **Rajarambapu Patil Sahakari Sakhar Karkhana Limited** in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]B+ (Stable); ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with **Rajarambapu Patil Sahakari Sakhar Karkhana Limited**, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been moved to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity Rating Methodology for Entities in the Sugar Industry
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statement

About the company

RPSSK was established in 1968 under the Maharashtra Co-operative Society Act, 1960 as Walwa Taluka Sahakari Sakhar Karkhana Limited to undertake sugar production in Sangli, Maharashtra. The name was subsequently changed to Rajarambapu Patil Sahakari Sakhar Karkhana Limited. RPSK is a part of the Sangli-based Rajarambapu Group, which is present in businesses like sugar, dairy and co-operative banking. RPSSK has sugar mills at four locations - Sakhrale, Wategaon, Karandwadi and Jath - in Sangli with a total sugarcane crushing capacity of 17,000 TCD along with a 75-KLPD distillery plant and a 40-MW cogeneration unit. Further, the company is in the process of expanding its distillery capacity to 100 KLPD from 75KLPD, which is likely to be operational from October 2022.

In FY2021, the company reported a net profit of Rs. 7.0 crore on an operating income (OI) of Rs. 1064.5 crore compared with a net profit of Rs. 6.9 crore on an OI of Rs. 930.2 crore in the previous year.

Status of non-cooperation with previous CRA:

CRA's	PR Date	Rating
CARE	December 02, 2022	CARE B-; ISSUER NOT COOPERATING

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2024)				Chronology of rating history for the past 3 years			
	Type	Amount rated (Rs. crore)	Amount outstanding (Rs. Crore)	Date & rating in FY2024	Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020	
				Apr 10, 2023	Feb 25, 2022	Nov 27, 2020	Jun 10, 2019	
1	Cash Credit	Long Term	500.00	-	[ICRA]B+(Stable) ISSUER NOT COOPERATING	[ICRA]B+ (Stable)	[ICRA]BB-(Stable)	[ICRA]BB-(Stable)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	500.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING

Source: Company

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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