



Press Release

Indian Sucrose Limited

July 19, 2023

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Bank Facilities	150.00	IVR BB+/ Negative ISSUER NOT COOPERATING* (IVR double B plus with Negative outlook Issuer Not Cooperating)	Revised from IVR BBB-/ Stable and migrated to the 'Issuer Not Cooperating' category	Simple
Long Term/Short Term Bank facilities	20.00	IVR BB+/ Negative/ IVR A4+ ISSUER NOT COOPERATING* (IVR double B plus with Negative outlook and IVR A four plus Issuer Not Cooperating)	Revised from IVR BBB-/ Stable/ IVR A3 and migrated to the 'Issuer Not Cooperating' category	Simple
Total	170.00 (Rupees One hundred seventy crore only)			

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The ratings revision is because of lack of adequate information regarding Indian Sucrose Limited performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the company is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.



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Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide E-mail communications dated January 24, 2023, January 30, 2023, March 6, 2023, April 5, 2023, July 4, 2023, July 6, 2023, July 10, 2023 and concurrently over several phone calls.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long term ratings of the bank loan facilities aggregating to Rs. 150.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings be noted as 'IVR BB+/ Negative ISSUER NOT COOPERATING' based on best available information (IVR double B plus with Negative outlook Issuer Not Cooperating; Based on best available information) and the long term/short term ratings of the bank loan facilities aggregating to Rs. 20.00 crore shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings be noted as 'IVR BB+/ Negative/IVR A4+ ISSUER NOT COOPERATING' based on best available information (IVR double B plus with Negative outlook and IVR A four plus Issuer Not Co-operating; Based on best available information) of Indian Sucrose Limited.

Analytical Approach & Applicable Criteria: Standalone

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Rating Methodology for Manufacturing Companies](#)

[Criteria for assigning rating outlook](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

About the Society

Indian Sucrose Limited (ISL) was originally promoted by Oswal Group as Oswal Sugars Limited in 1989 and the unit was set up in 1990-91 at G. T. Road, Mukerian, District Hoshiarpur, Punjab and is engaged in the manufacturing of White Crystal Sugar and also has a 12 MW power cogeneration plant. In 2000, Yadu Corporation took over the control of the



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company at that time it was a lossmaking unit. It was a small company then with 2500 TCD, the unit was taken over for revival. The management gradually increased the capacity gradually from 2500 TCD to 5000 TCD and to 9000 TCD. The unit gradually moved from loss making to profit making.

Financials (Standalone):

For the year ended* / As on	(Rs. crore)	
	31.03.2022	31.03.2023
	Audited	Audited
Total Income	442.77	451.77
EBIDTA	59.00	64.8
PAT	37.27	30.01
Total Debt	179.98	222.75
Tangible Net Worth	151.40	181.46
EBDITA Margin (%)	13.32	14.34
PAT Margin (%)	8.28	6.64
Interest Coverage	3.10	2.6
Overall Gearing Ratio (x)	1.19	1.23

*Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA:

Care Ratings Limited has maintained the ratings under Issuer Not Cooperating category on account of non-receipt of information despite repeated request to provide information for monitoring the ratings via press release dated May 30, 2023.

Any other information: Nil

Rating History for last three years:

Sr · No.	Name of Instrument /Facilities	Current Rating (Year 2023-24)			Date(s) & Rating(s) assigned in 2022-23 (June 10, 2022)	Date(s) & Rating(s) assigned in 2021-22 (December 02, 2021)	Date(s) & Rating(s) assigned in 2020-21 (October 6, 2020)
		Type	Amount outstanding (Rs. Crore)	Rating			
1.	Cash Credit	Long Term	150.00	IVR BB+/ Negative	IVR BBB-/ Stable	IVR BB+/ Positive	IVR BB+/ Stable



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Sr · N o.	Name of Instrument /Facilities	Current Rating (Year 2023-24)			Date(s) & Rating(s) assigned in 2022-23 (June 10, 2022)	Date(s) & Rating(s) assigned in 2021-22 (December 02, 2021)	Date(s) & Rating(s) assigned in 2020-21 (October 6, 2020)
		Type	Amount outstanding (Rs. Crore)	Rating			
				ISSUER NOT COOPERATING*			
2.	Fund Based/Non Fund Based	Long Term/ Short Term	20.00	IVR BB+/ Negative/ IVR A4+ ISSUER NOT COOPERATING*	IVR BBB-/ Stable/ IVR A3	IVR BB+/ Positive / IVR A4+	IVR BB+/Stable / IVR A4+

* Issuer did not cooperate; based on best available information

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	150.00	IVR BB+/ Negative ISSUER NOT COOPERATING*
Fund Based/Non Fund Based	-	-	-	20.00	IVR BB+/ Negative/ IVR A4+ ISSUER NOT COOPERATING*

**Issuer did not cooperate; based on best available information*

Annexure 2: Facility wise lender details: Not Applicable

Annexure 3: List of companies considered for consolidated analysis: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable



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Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

