

## The Ugar Sugar Works Limited

April 20, 2018

### Ratings

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Fixed Deposit programme	-	-	Withdrawn
<b>Total Facilities</b>	-		

*Details of facilities in Annexure-1*

### Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BBB-(FD);Stable [Triple B Minus(Fixed Deposit);Stable] assigned to the Proposed Fixed Deposit of The Ugar Sugar Works Limited with immediate effect. The above action has been taken at the request of The Ugar Sugar Works Limited that have extended the facilities rated by CARE.

**Analytical approach:** Not Applicable

### Applicable Criteria

[Policy on Withdrawal of ratings](#)

### About the Company

The Ugar Sugar Works Limited (USWL) was incorporated by Late Shri V S Shirgoakar in April 1<sup>st</sup>, 1939 and it is one of the oldest sugar mills in India. The first crushing season of the sugar factory was conducted in Sugar Season (SS) 1942-43 with an installed capacity of 500 TCD. Presently the company has total capacity of 16500 TCD. Currently the company is managed by Mr. Rajendra Shirgoakar Aged-80 years as a Chairman.

The company has two fully integrated sugar plants which is located in village Ugarkhurd, Karnataka and Jewargi, Karnataka. During sugar season (SS) 2016-17, USWL crushed 8.13lakh of cane as compared to 10.79 lakh of cane during SS 2015-16. Further the company undertook erection of a distillery unit of 45 Liters Per Day (KLPD) in the year 1962-63, which commenced commercial operations from October 1962. The company further diversified and set up a first-in-its-kind-in India Co-Generation Power Plant of 44 MW at Ugar –Khurd Plant, Karnataka in the 1992-93. Later on USWL set up 15 MW cogeneration power plant at Jewargi in 2010

**Status of non-cooperation with previous CRA: None**

**Any other information:** NA

**Rating History for last three years:** Please refer Annexure-2

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

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<sup>1</sup> Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is 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 CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

#### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fixed Deposit	-	-	-	0.00	Withdrawn

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Fixed Deposit	LT	-	-	-	1)CARE BBB-(FD); Stable (08-Nov-17)	-	-

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CIN - L67190MH1993PLC071691