

Press Release

Shakti Distilleries Private Limited

January 12, 2022



Rating Reaffirmed & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	8.20	ACUITE B+ Reaffirmed & Withdrawn Issuer not co-operating*	
Total	8.20	-	-

#Refer Annexure for details * The issuer did not co-operate; based on best available information.

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs.8.20 crore bank facilities of Shakti Distilleries Private Limited (SDPL). The rating withdrawal is in accordance with the Acuite's policy on withdrawal of rating. This rating continues to be an indicative rating and is based on the best available information.

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

About the Company

Gujarat based Shakti Distilleries Private Limited (SDPL) was established in 2002 by Mr. Shreyans Baldev Goyal, Mr. Kirtibhai Narottamdas Patel and Mr. Dipak Kumar Mafatlal Patel. It is an ISO 9001:2008 certified company and was formed with an aim to promote ethanol as a green fuel in the country. The company was set up when there was a significant thrust towards the development of ethanol as a green fuel to limit the consumption of petroleum products. However, with the UPA government's advent, there was an abject lack of policy direction in this segment and the draft policies of the NDA government were never implemented. As a result, the new entrants in the ethanol industry switched towards manufacturing industrial and pharmaceutical grade ethanol instead of fuel grade ethanol.

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.

This rating continues to be 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 endeavored 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 rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

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

Material Covenants

None.

Liquidity Position

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

Outlook: Not Applicable

Not Applicable.

Status of non-cooperation with previous CRA

None.

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Oct 2020	Cash Credit	Long Term	4.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Term Loan	Long Term	2.70	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE B+ (Downgraded and Issuer not co-operating*)
26 Jul 2019	Proposed Term Loan	Long Term	2.70	ACUITE BB- (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	4.00	ACUITE BB- (Issuer not co-operating*)
26 Apr 2018	Cash Credit	Long Term	4.00	ACUITE BB- (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	1.50	ACUITE BB- (Issuer not co-operating*)
	Proposed Working Capital Demand Loan	Long Term	2.70	ACUITE BB- (Issuer not co-operating*)
10 Feb 2017	Cash Credit	Long Term	4.00	ACUITE BB- Stable (Assigned)
	Proposed Cash Credit	Long Term	1.50	ACUITE BB- Stable (Assigned)
	Proposed Working Capital Demand Loan	Long Term	2.70	ACUITE BB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Reaffirmed & Withdrawn Issuer not cooperating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B+ Reaffirmed & Withdrawn Issuer not cooperating*
Not Applicable	Not Applicable	Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	2.70	ACUITE B+ Reaffirmed & Withdrawn Issuer not cooperating*

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 8,850 credit 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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