



Press Release

Capricorn Blenders Private Limited (Erstwhile Rhizome Distilleries Private Limited)

May 31, 2024

Rating Reaffirmed and Issuer not co-operation

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.50	ACUITE BB Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	10.50	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	20.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BB**' (read as **ACUITE double B**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.20.00 Cr. bank facilities of Capricorn Blenders Private Limited (Erstwhile Rhizome Distilleries Private Limited) (CBPL).

This rating is now flagged as issuer not cooperating on account of information risk and is based on best available information.

About the Company

Hyderabad-based, Capricorn Blenders Private Limited (Erstwhile Rhizome Distilleries Private Limited) (CBPL) was incorporated 1993 by Mr. Kuldeep Singh, Mr. Manoj Rupani and his family. Capricorn was taken over by Mr. Nishanth Bezawada and his family member in 2014-15. During January 2021, the name of Rhizome Distilleries Private Limited was changed to Capricorn Blenders Private Limited (CBPL). The Company is engaged in manufacturing and retailing of the country-made and Indian Made Foreign Liquor (IMFL) and also does the job work. CBPL as on date has 2 manufacturing units i.e IMFL plant at Medchal, Telangana with a licensed capacity of 24 lakh cases Per Month and IMFL plant at Vijayawada in Andhra Pradesh with 13 lakh cases production capacity.

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-cooperation by the issuer along with an 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 has 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 Sensitivities

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.	50.20	114.93
PAT	Rs. Cr.	1.34	0.84
PAT Margin	(%)	2.67	0.73
Total Debt/Tangible Net Worth	Times	1.47	2.56
PBDIT/Interest	Times	1.54	1.48

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
13 Mar 2023	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A4+ (Reaffirmed)
	Bills Discounting	Short Term	10.00	ACUITE A4+ (Reaffirmed)
	Cash Credit	Long Term	9.50	ACUITE BB Stable (Downgraded from ACUITE BB+)
18 Oct 2022	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Bills Discounting	Short Term	10.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Cash Credit	Long Term	9.50	ACUITE BB+ (Reaffirmed & Issuer not co-operating*)
23 Jul 2021	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A4+ (Assigned)
	Bills Discounting	Short Term	10.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	9.50	ACUITE BB+ 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
Karur Vysya Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
Karur Vysya Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Karur Vysya Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	9.50	ACUITE BB Reaffirmed 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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