

## Press Release

### Deity Fuel Energy Private Limited (DFEPL)

13 October, 2017

### Rating Reaffirmed



<b>Total Bank Facilities Rated*</b>	Rs.10.25 Cr
<b>Long Term Rating</b>	SMERA D (Reaffirmed)
<b>Short Term Rating</b>	SMERA D (Reaffirmed)

*\*Refer Annexure for details*

### Rating Rationale

SMERA has reaffirmed the long-term and short term rating of '**SMERA D' (read as SMERA D)** on the Rs. 10.25 crore bank facilities of Deity Fuel Energy Private Limited (DFEPL).

DFEPL, incorporated in 2010, is a Pune-based company engaged in the system integration of off-grid and decentralised solar applications. The company, promoted by Mr. Suresh Nikam and Mrs. Ujjwala Nikam, has a solar photovoltaic polycrystalline modules manufacturing facility at Chakan, Pune.

### Key Rating Drivers

#### Strengths

**Experienced management:** The promoters, Mr. Suresh Nikam and Mrs. Ujjwala Nikam have around a decade of experience in the said line of business.

#### Weaknesses

**Delays in debt servicing:** The rating continues to reflect delays in servicing of debt obligations by the company as mentioned in the CIBIL report dated 9th August 2017.

#### Analytical Approach

SMERA has considered the standalone business and financial risk profiles of DFEPL.

#### About the Rated Entity - Key Financials

For FY2013-14, the company reported net loss of Rs.1.65 crore on operating income of Rs.5.94 crore, compared to net profit of Rs.0.21 crore on operating income of Rs.9.65 crore in FY2012-13. The net worth stood at Rs.0.38 crore as on 31 March, 2014 as against Rs.2.02 crore in the previous year.

**Status of non-cooperation with previous CRA-** Not Applicable

**Any other information:** Not Applicable

**Applicable Criteria:**

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities - <https://www.smera.in/criteria-manufacturing.htm>
- Financial Ratios and Adjustments - <https://www.smera.in/criteria-fin-ratios.htm>

**Note on complexity levels of the rated instrument**
<https://www.smera.in/criteria-complexity-levels.htm>
**Rating History (Upto last three years)**

Date	Name of Instrument/Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
16-May, 2016	Cash Credit	Long Term	2.50	SMERA D (Reaffirmed)
	Term Loan	Long Term	1.25^	SMERA D (Reaffirmed)
	Working Capital Term Loan	Long Term	2.50	SMERA D (Reaffirmed)
	Letter of Credit	Short Term	3.00	SMERA D (Reaffirmed)
	Bank Guarantee	Short Term	1.00	SMERA D (Reaffirmed)
12-Mar, 2015	Cash Credit	Long Term	2.50	SMERA D (Reaffirmed)
	Term Loan	Long Term	1.25^	SMERA D (Reaffirmed)
	Working Capital Term Loan	Long Term	2.50	SMERA D (Assigned)
	Letter of Credit	Short Term	3.00	SMERA D (Reaffirmed)
	Bank Guarantee	Short Term	1.00	SMERA D (Reaffirmed)
12-Dec, 2013	Cash Credit	Long Term	5.00	SMERA D (Assigned)
	Term Loan	Long Term	1.25^	SMERA D (Assigned)
	Letter of Credit	Short Term	3.00	SMERA D (Assigned)
	Bank Guarantee	Short Term	1.00	SMERA D (Assigned)

^Includes sublimit of Rs.0.74 crore for Import Letter of Credit for Purchase of Machinery

### \*Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	2.50	SMERA D (Reaffirmed)
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.25^	SMERA D (Reaffirmed)
Working Capital Term Loan	Not Applicable	Not Applicable	Not Applicable	2.50	SMERA D (Reaffirmed)
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	3.00	SMERA D (Reaffirmed)
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	1.00	SMERA D (Reaffirmed)

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### ABOUT SMERA

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