



Press Release

Khandoba Distilleries Limited

May 31, 2022

Ratings:

Facilities/Instruments	Amount (Rs. crore)	Current Ratings*	Rating Action	Complexity Indicator (Simple/High /Complex)
Long Term Fund Based Facility	52.60	IVR BB+ ISSUER NOT COOPERATING (IVR Double B Plus ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING	Simple
Short Term Facility	8.92	IVR A4+ ISSUER NOT COOPERATING (IVR A Four plus ISSUER NOT COOPERATING)	Revised and moved to ISSUER NOT COOPERATING	Simple
Total	61.52			

**Issuer not cooperating, based on best available information*

Details of Facilities are in Annexure 1

Detailed Rationale

The aforesaid rating revision to the bank facilities of Khandoba Distilleries Limited reflects lack of adequate information available about the performance of the company and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity 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 entity, despite the rating revision.

Note on non-cooperation

Infomerics has repeatedly followed up with the company to provide information to monitor the rating(s) vide multiple e-mails and telephonic follow-ups dated 29/03/2022, 15/04/2022,



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29/04/2022 and 10/05/2022. However, has not submitted all the essential information and documents.

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.

In the absence of the relevant information, in consonance with SEBI guidelines, Infomerics has moved the long term and short-term rating for the bank loan facilities of Khandoba Distilleries Limited, aggregating to INR 61.52 crore to the 'ISSUER NOT COOPERATING' category. The rating is now denoted as IVR BB+ ISSUER NOT COOPERATING (IVR Double B Plus ISSUER NOT COOPERATING) and IVR A4+ ISSUER NOT COOPERATING (A Four Plus ISSUER NOT COOPERATING); Based on best available information"

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

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

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

About the Company

Khandoba Distilleries Limited (KDL) was incorporated on 18th April 2007 with its head office located in Pune. The distillery unit of KDL is located in Solapur with an installed capacity of 110 Kilo Liters Per Day (KLPD). Mr. Laxman Nivruttirao More, Mr. Pravin More, Mr. Shankarrao Shriranrao Bhise are the directors of the company. The company is engaged in manufacturing of Rectified Spirits (RS), Extra Neutral Alcohol (ENA), Denatured Spirits (DS) & other related products.

Financials (Standalone):

(In Crore)

For the year ended / As on	31-03-19	31-03-20
	Audited	Audited
Total Operating Income	120.51	60.49
EBITDA	21.32	15.02



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For the year ended / As on	31-03-19	31-03-20
	Audited	Audited
PAT	4.07	5.89
Total Debt	59.44	48.65
Tangible Net worth	61.26	65.68
Ratios		
a. EBIDTA Margin (in %)	17.69	24.83
b. PAT Margin (in %)	3.37	9.53
c. Overall Gearing ratio (x)	0.97	0.74

**Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

Sl. No.	Name of Instrument/Facilities	Type	Current Rating (Year 2022-23)		Rating History for the past 3 years		
			Amount outstanding (INR crore)	Assigned Rating	Date(s) & Rating(s) assigned in 20-21 (March 24, 2021)	Date(s) & Rating(s) assigned in 19-20	Date(s) & Rating(s) assigned in 18-19
1.	Long Term Facilities	Long Term	52.60	IVR BB+ ISSUER NOT COOPERATING	IVR BBB-/Stable	-	-
2.	Short Term Bank Facilities	Short Term	8.92	IVR A4+ ISSUER NOT COOPERATING	IVR A3	-	-

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About Infomerics:



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Infomerics was founded in the year 1986 by a team of highly experienced and knowledgeable finance professionals. Subsequently, after obtaining Securities Exchange Board of India registration and RBI accreditation and the activities of the company are extended to External Credit Assessment Institution (ECAI).

Adhering to best International Practices and maintaining high degree of ethics, the team of knowledgeable analytical professionals deliver credible evaluation of rating.

Infomerics evaluates wide range of debt instruments which helps corporates open horizons to raise capital and provides investors enlightened investment opportunities. The transparent, robust and credible rating has gained the confidence of Investors and Banks.

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

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, suspend 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 Facilities: NA

Annexure 2: List of companies considered for consolidated analysis: Not Applicable.

Annexure 3: Facility wise lender details: NA

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

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