

September 27, 2019

Ashoka Distillers & Chemicals Private Limited: Continues to remain in Non-Cooperating category, Ratings downgraded based on best available information

Summary of rated instruments

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based/ CC	8.00	8.00	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Negative) and continues to remain under 'Issuer Not Cooperating' category
Long Term - Fund based/ TL	12.35	12.35	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Negative) and continues to remain under 'Issuer Not Cooperating' category
Long Term/ Short Term – Unallocated	10.65	10.65	[ICRA]BB+ (Stable)/[ICRA]A4+ ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]BBB- (Negative)/[ICRA]A3 and continues to remain under 'Issuer Not Cooperating' category
Total	31.00	31.00	

^{*}Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

The ratings downgrade is because of lack of adequate information regarding Ashoka Distillers & Chemicals Private Limited's (ADCPL) performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by the rated entity". 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 downgrade.

As part of its process and in accordance with its rating agreement with ADCPL, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

About the company

Established in 1987, Ashoka Distillers & Chemicals Private Limited (ADCPL) is involved in the manufacturing of country liquor, Indian Made Foreign Liquor and ENA. The plant is located at Hatin, Haryana and has an annual capacity to produce 25,000 kilo bulk litres of spirit. The company is also involved in contract bottling arrangements with Pernod

Ricard. ADCPL has been promoted by the Ajay Kumar Modi family. Mr Ajay Kumar Modi, who holds a B.Com degree, has prior experience of managing Patiala Distilleries & Manufacturers Limited, Patiala, Punjab.

Status of non-cooperation with previous CRA

Not applicable

Any other information

Not applicable

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)			Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					27-Sep- 2019	28-Feb-2019	9-Aug-2017	-
1	Cash credit	Long Term	8.00	Latest data not available	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	[ICRA]BBB- (Negative) ISSUER NOT COOPERATING	[ICRA]BBB (Stable) ISSUER NOT COOPERATING	-
2	Term loan	Long Term	12.35		[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	[ICRA]BBB- (Negative) ISSUER NOT COOPERATING	[ICRA]BBB (Stable) ISSUER NOT COOPERATING	-
3	Unallocated limits	Long Term/ Short Term	10.65		[ICRA]BB+ (Stable)/ [ICRA]A4+ ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA]A3 ISSUER NOT COOPERATING	[ICRA]BBB (Stable)/ [ICRA]A3+ ISSUER NOT COOPERATING	-

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1 Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash credit	NA	NA	NA	8.00	[ICRA]BB+(Stable) ISSUER NOT COOPERATING
NA	Term loan	NA	NA	NA	12.35	[ICRA]BB+(Stable) ISSUER NOT COOPERATING
NA	Unallocated limits	NA	NA	NA	10.65	[ICRA]BB+(Stable)/ [ICRA]A4+ ISSUER NOT COOPERATING

Source: ADCPL

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