

**RATING RATIONALE**

11 Dec 2020

**AB Grain Spirits Pvt. Ltd.**

**Brickwork Ratings Revises the ratings for the Bank Loan Facilities of Rs 131.79 Crs of AB Grain Spirits Pvt. Ltd. based on best available information, as the issuer did not cooperate.**

**Particulars**

Facility	Amount (Rs in Crs)		Tenure	Rating#	
	Previous	Present		Previous (Nov,2019)	Present
Fund Based	103.79	103.79	Long Term	BWR BB+ (Stable )	BWR BB (Stable) Issuer Not Cooperating (Downgrade)
Non Fund Based	28.00	28.00	Short Term	BWR A4+	BWR A4 Issuer Not Cooperating (Downgrade)
Total	131.79	131.79	INR One Hundred Thirty One Crores and Seventy Nine Lakh Only		

# Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings  
 Details of Bank facilities is provided in Annexure-I

**RATING: Downgraded and migrated to ‘Issuer Not Co-operating’ Category due to information insufficiency and lack of management cooperation**

**NATURE OF NON-COOPERATION**

The rating was due for a review in November 2020. Brickwork Ratings (BWR) took up with the issuer to provide required information over emails dated 08.12.2020, 02.12.2020, 17.11.2020, 06.11.2020, and 19.10.2020. Despite the efforts of BWR to get minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer including no default statements (NDS), BWR is unable to assess the company’s financial performance and its ability to service its debt and maintain a valid rating.

**LIMITATIONS OF THE RATING**

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

**KEY FINANCIAL INDICATORS** [As available information with BWR in November 2019]

Key Parameters	Units	FY18	FY19
Result Type		Audited	Audited
Total Operating Income	Rs. Crores	<b>427.62</b>	<b>404.58</b>
EBITDA	Rs. Crores	<b>32.81</b>	<b>30.87</b>
PAT	Rs. Crores	<b>4.15</b>	<b>0.11</b>
Tangible Net worth	Rs. Crores	<b>53.35</b>	<b>53.44</b>
Total Debt: TNW	Times	<b>2.72</b>	<b>2.41</b>
Current Ratio	Times	<b>0.88</b>	<b>0.90</b>

**COMPANY PROFILE** [As available information with BWR in November 2019]

AB Grain Spirits Pvt Ltd (ABGSPL ), was incorporated in Jan 2005. ABGSPL manufactures, packages and distributes Extra Neutral Alcohol (ENA), Rectified Spirit (RS), Indian Made Foreign Liquor (IMFL) and Punjab Medium Liquor (PML). The company is a part of the Late Mr. Hardeep Chadha Group. The company manufactures under its brand Patiala Peg & Master Moments and also some local country liquor. The company manufactures quality spirit, which it supplies across Africa, the Mediterranean and Indian subcontinents. In India, USL – Diageo, Pernod Ricard, Allied Blenders & Distillers are some of their many valued customers. Company is also operating Private Stage Carriage Services in Delhi/ NCR for the Government of National Capital Territory of Delhi (GNCTD).

**RATING HISTORY FOR LAST 3 YEARS ( INCLUDING WITHDRAWN/SUSPENDED)**

Facilities Available	Current Rating ( 2020)^			(Rs.Crs)								
	Tenure	Amount (In Crs)	Rating	2019			2018			2017		
Bank Loan Fund Based (FB)	Long Term	103.79	BWR BB (Stable) Issuer Not Cooperating  (Downgrade)	11.11.2019			21.02.2018			14.02.2017		
				FB	103.79	BWR BB+ (Stable) (Reaffirmation)	FB	203	BWR BB+ (Stable) (Upgrade)	FB	222	BWR BB (Stable)
				26.09.2019			FB	203	BWR BB+ (Stable) Issuer Non Cooperating (Reaffirmation)			
Bank Loan Non Fund Based N(FB)	Short Term	28.00	BWR A4 Issuer Not Cooperating  (Downgrade)	11.11.2019			21.02.2018			14.02.2017		
				NF B	28	BWR A4+ (Reaffirmation)	NF B	28	BWR A4+ (Reaffirmation)	NF B	28	BWR A4+
				26.09.2019			NF B	28	BWR A4+ Issuer Non Cooperating (Reaffirmation)			
Total		131.79	Rupees One Hundred Thirty One Crores and Seventy Nine Lakh Only									

^Rating was moved to Rating Not Reviewed on 12Nov,2020

**NON-COOPERATION WITH PREVIOUS RATING AGENCY : NA**

**COMPLEXITY LEVELS OF THE INSTRUMENTS**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)
- [Short Term Debt](#)
- [Manufacturing Companies](#)

<b>Analytical Contacts</b>		
<b>Raman Thakur</b> <b>Rating Analyst</b> Phone:011-23412232 <a href="mailto:raman.t@brickworkratings.com">raman.t@brickworkratings.com</a>		<b>Tanu Sharma</b> <b>Director - Ratings</b> Phone:011-23412232 <a href="mailto:tanusharma@brickworkratings.com">tanusharma@brickworkratings.com</a>
<b>1-860-425-2742</b>	<b>I</b>	<b>media@brickworkratings.com</b>

**AB Grain Spirits Pvt. Ltd.**

**ANNEXURE I**

**Details of Bank Facilities rated by BWR**

Sl. No.	Name of the Bank	Type of Facilities	Long Term (₹ Cr)	Short Term (₹ Cr)	Total (₹ Cr)
1.	OBC Bank	Working Capital(CC)	48.50	-	48.50
		Term Loan BG	23.65 -	- 13.00	23.65 13.00
2.	Punjab & Sind Bank	Working Capital(CC)	14.00	-	14.00
		Term Loan BG	11.48 -	- 15.00	11.48 15.00
3.	Tata Motor Finance	Vehicle Finance Loan	6.16	-	6.16
<b>TOTAL</b>					<b>131.79</b>

**Rupees One Hundred Thirty One Crores and Seventy Nine Lakh Only**



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