

Press Release

Pincon Spirit Limited

10 November, 2017



Name of the Instruments	Amount (Rs. Crore)	Rating/Outlook
Proposed Non-Convertible Debentures	35.00	SMERA BBB- (Downgraded from SMERA BBB+; placed under Rating Watch with Negative Implications)
Cash Credit	245.00	SMERA BBB- (Downgraded from SMERA BBB+; placed under Rating Watch with Negative Implications)

SMERA has downgraded the ratings on the Rs.245.00 crore bank facilities and Rs. 35.00 crore Proposed Non- Convertible Debentures issue of Pincon Spirit Limited (PSL) to **'SMERA BBB- (read as SMERA triple B minus)** from **'SMERA BBB+/Stable' (read as SMERA triple B plus)** and has placed the rating on **'Rating Watch with Negative implications'**.

The rating actions are driven by the recent adverse developments in respect of PSL. PSL has informed exchanges (BSE and NSE) vide its letter dated 07th November, 2017 that the company's Chairman Mr. Monoranjan Roy was arrested on 02nd November, 2017.

SMERA believes that this development is likely to have an impact on the operational and financial performance of the company over the near to medium term. SMERA is in the process of discussion with company officials and the company's bankers to understand the extent of impact of these developments on the credit profile of PSL. In the interim, the rating will continue to be under watch with Negative Implications.

About the rated entity:

PSL is engaged in the manufacturing and trading of IMFL (Indian Made Foreign Liquor) and IMIL (Indian Made Indian Liquor) in West Bengal, Karnataka, Orissa, Uttarakhand and other states in South India. The company is also engaged in the trading of edible oil in West Bengal and neighbouring states. SMERA has taken a consolidated view of the financial and business risk profile of PSL and its subsidiaries. Together, they are referred to as the Pincon Group (PG).

Rating History for last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Crore)	Ratings/Outlook
09-Mar, 2017	Cash Credit	Long Term	245.00 (Enhanced from Rs. 120.00 Cr.)	SMERA BBB+ / Stable (Upgraded from SMERA BBB/Stable)
	Proposed Non-convertible debentures	Long Term	35.00	SMERA BBB+ / Stable (Upgraded from SMERA BBB/Stable)
16-Dec, 2015	Cash Credit	Long Term	120.00	SMERA BBB/Stable (Assigned)
	Proposed Cash Credit	Long Term	125.00	SMERA BBB/Stable (Assigned)
	Proposed Non-convertible debentures	Long Term	35.00	SMERA BBB/Stable (Assigned)

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ABOUT SMERA

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