

Press Release

Global Beverages Inc

November 25, 2020

Rating Update



| | |
|-------------------------------------|--|
| Total Bank Facilities Rated* | Rs. 11.25 Cr. # |
| Long Term Rating | ACUITE BB- Issuer not co-operating* (Downgraded from ACUITE BB/Stable) |
| Short Term Rating | ACUITE A4+ Issuer not co-operating* |

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Rating Rationale

Acuité has downgraded the long-term rating to '**ACUITE BB-**' (read as **ACUITE double B minus**) from '**ACUITE BB (read as ACUITE double B)**' and reviewed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four Plus**) on the Rs.11.25 crore bank facilities of Global Beverages Inc (Global). This rating is now an indicative rating and is downgraded on account of information risk.

Established in 2004, Global Beverages Inc is a partnership firm formed by Mr. S. Ganeson and Mr. S. Santosh Kumar as partners. The firm is engaged in bottling and distribution of Indian made Foreign Liquor, wholesale distribution of imported wines, mild beer, and strong beers in the Union Territory of Puducherry. The firm has five retail shops in Puducherry and it has a strong distribution network encompassing almost 350 retail touchpoints across Puducherry and Karaikal.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Trading Entities - <https://www.acuite.in/view-rating-criteria-61.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|--------------|---------------------------------|------------|-----------------|---------------------------------|
| 17-Sep-2019 | Secured Overdraft | Long Term | 10.25 | ACUITE BB / Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 1.00 | ACUITE A4+ (Reaffirmed) |
| 06-July-2018 | Secured Overdraft | Long Term | 10.25 | ACUITE BB/Stable (Upgraded) |
| | Bank Guarantee | Short Term | 1.00 | ACUITE A4+ (Assigned) |
| 07-July-2017 | Secured Overdraft | Long Term | 10.25 | ACUITE BB-/Stable (Reaffirmed) |
| | Proposed Cash Credit | Long Term | 0.75 | ACUITE BB-/Stable (Reaffirmed) |
| 11-Feb-2016 | Secured Overdraft | Long Term | 5.00 | ACUITE BB-/Stable (Assigned) |
| | Proposed Secured Overdraft | Long Term | 6.00 | ACUITE BB-/Stable (Assigned) |

#Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings |
|------------------------|------------------|----------------|----------------|-----------------------------|--|
| Overdraft | Not Applicable | Not Applicable | Not Applicable | 10.25 | ACUITE BB- Issuer not co-operating* (Downgraded from ACUITE BB/Stable) |
| Bank guarantee | Not Applicable | Not Applicable | Not Applicable | 1.00 | ACUITE A4+ Issuer not co-operating* |

*The issuer did not co-operate; Based on best available information.

Contacts

| Analytical | Rating Desk |
|---|---|
| Aditya Gupta Vice President - Corporate Ratings Tel: 022-4929 4041 aditya.gupta@acuite.in Bhavani Sankar Oruganti Senior Analyst - Rating Operations Tel: 040-4004 2327 bhavanisankar.oruganti@acuite.in | Varsha Bist Senior Manager - Rating Desk Tel: 022-4929 4011 rating.desk@acuite.in |

About Acuite Ratings & Research:

Acuite Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,435 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: *An Acuite rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuite ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuite, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuite is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuite ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuite, Acuite's rating scale and its definitions.*