

## Press Release

Pearl Distillery Limited

June 29, 2022



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	200.00	ACUITE BB+   Reaffirmed   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	200.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

### Rating Rationale

Acuité has reaffirmed the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B Plus**) on the Rs. 200.00 Crore bank facilities of Pearl Distillery Limited (PDL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

Pearl Distillery Limited, established in 1973, is one of the largest distillation and bottling plants in Andhra Pradesh (AP), promoted by Mr. Shivkumar Reddy. The company has an installed capacity of bottling of 9.75 lakh cases per month & 65 Kilo Liters per day (KLPD) capacity of distillation. PDL has exclusive franchise of United Spirits Limited for Indian-made foreign liquor (IMFL) & the company has been associated with USL since 40 years. The company has its manufacturing unit located in Singarayakonda, Ongole, Andhra Pradesh.

### 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.

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

### 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.

## Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

## Material Covenants

Not Applicable

## Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

## Outlook

Not Applicable

## Status of non-cooperation with previous CRA

None

## Any other information

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

## Applicable Criteria

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

## Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 Mar 2021	Term Loan	Long Term	120.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
	Working Capital Term Loan	Long Term	80.00	ACUITE BB+ (Downgraded and Issuer not co-operating*)
03 Jan 2020	Working Capital Term Loan	Long Term	80.00	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	120.00	ACUITE BBB-   Stable (Reaffirmed)
05 Oct 2018	Proposed Bank Facility	Long Term	200.00	ACUITE BBB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
JM Financial Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	120.00	ACUITE BB+   Reaffirmed   Issuer not co-operating*
JM Financial Ltd.	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	80.00	ACUITE BB+   Reaffirmed   Issuer not co-operating*

## Contacts

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

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