

Diamond Beverages Private Limited

October 12, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	132.15	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB+; Stable (Double B Plus; Outlook: Stable)
Short Term Bank Facilities	2.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4+ (A Four Plus)
Total Bank Facilities	134.15 (Rs. One Hundred Thirty-Four Crore and Fifteen Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated August 04, 2021, placed the rating(s) of Diamond Beverages Private Limited (DBPL) under the 'issuer non-cooperating' category as DBPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DBPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated June 20, 2022, June 30, 2022, July 10, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of DBPL have been revised on account of non-availability of requisite information. The ratings also factored in decline in scale of operations, reported net loss, increase in total debt level, deteriorated capital structure and debt coverage indicators during FY21 over FY20.

Detailed description of the key rating drivers

Please refer to PR dated [August 04, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Diamond Beverages Pvt Ltd (DBPL), set up in 1971 as Black Diamond Beverages Ltd (BDBL), is promoted by Mr S R Goenka & Mr N R Goenka. The company was formed to manufacture and sell carbonated drinks of Parle Exports at its Taratala and Dankuni (West Bengal) units. Later in 1993, the company entered into a franchise agreement with Coca Cola India Pvt Ltd (Coca Cola India). Due to the family settlement, in 1995, the Taratala unit was demerged from BDBL to Diamond Beverages (P) Ltd (promoted by Mr. N.R. Goenka) and the Dankuni unit was transferred to Bengal Beverages Pvt Ltd (promoted by Mr. S R Goenka). DBPL is now engaged in bottling of all Coca Cola brand products which includes carbonated soft drinks, fruit based beverages (Maaza and Minute Maid) and packaged drinking water (Kinley) and others. The company has entered into franchise agreement with Coca Cola for exclusive marketing in Kolkata and South 24 Parganas district of West Bengal.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	H1FY23 (Prov.)
Total operating income	367.50	269.57	NA	NA
PBILDT	51.04	33.60	NA	NA
PAT	9.81	-8.32	NA	NA
Overall gearing (times)	2.87	3.46	NA	NA
Interest coverage (times)	2.39	1.28	NA	NA

A: Audited, Prov.: Provisional, NA: Not Available

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2027	92.15	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	40.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	2.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	92.15	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20)	-
2	Fund-based - LT-Cash Credit	LT	40.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (01-Jul-20)	-
3	Non-fund-based - ST-Bank Guarantee	ST	2.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4+; ISSUER NOT COOPERATING* (04-Aug-21)	1)CARE A4+; ISSUER NOT COOPERATING* (01-Jul-20)	-

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of rated instrument/facility: Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings Limited:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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