

Mohan Breweries and Distilleries Limited

September 16, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	119.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; Stable; (Single C; Outlook: Stable)
Long Term Bank Facilities	3.91	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	0.55	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
Total Facilities	123.46 (Rs. One Hundred Twenty-Three Crore and Forty-Six Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated July 01, 2021, placed the rating(s) of Mohan Breweries and Distilleries Limited (MBDL) under the 'issuer non-cooperating' category as MBDL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating of information through e-mails, phone calls and a letter/email dated May 17, 2022, May 27, 2022, June 06, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on exercise as agreed to in its Rating Agreement. MBDL continues to be non-cooperative despite repeated requests for submission 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 MBDL have been revised on account of non-availability of requisite information i.e. non-receipt of No default statement since long as well as lender's feedback and latest financials. Hence, there is no clarity/documentation regarding the debt servicing track record of rated bank facilities.

Detailed description of the key rating drivers

Please refer to PR dated [July 01, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

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

*Issuer did not cooperate; Based on best available information

About the Company

Mohan Breweries and Distilleries Ltd (MBDL) was incorporated in 1982 to manufacture and sell Indian Made Foreign Liquor (IMFL) in Tamil Nadu. MBDL was set up in collaboration with M/s. Mohan Meakins Ltd (MML). MBDL was originally promoted by three individuals namely Mr. Nandhagopal, Mr. Ethurajan and Mr. Udayar. MBDL has installed capacity of 78.63 lakh cases of IMFL in TN, 12.00 lakh cases of IMFL in AP, 105.3 lakh cases of Beer in TN, 62 KLPD distillery unit in TN and 78,000 TPA (tones per annum) installed capacity of glass production. MBDL also has a 35.2 MW wind farm plant.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)	Q1FY23 (Prov.)
Total operating income	461	NA	NA	NA
PBILDT	12	NA	NA	NA
PAT	-90	NA	NA	NA
Overall gearing (times)	NM	NA	NA	NA
Interest coverage (times)	0.10	NA	NA	NA

A: Audited; Prov.: Provisional; NA: Not Available; NM: Not Meaningful

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		-	-	October 2016	3.91	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	119.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.55	CARE D; 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	3.91	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (01-Jul-21)	1)CARE D; ISSUER NOT COOPERATING* (06-Apr-20)	1)CARE D (04-Apr-19)
2	Fund-based - LT-Cash Credit	LT	119.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (01-Jul-21)	1)CARE C; Stable; ISSUER NOT COOPERATING* (06-Apr-20)	1)CARE C; Stable (04-Apr-19)
3	Non-fund-based - ST-Bank Guarantee	ST	0.55	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (01-Jul-21)	1)CARE A4; ISSUER NOT COOPERATING* (06-Apr-20)	1)CARE A4 (04-Apr-19)

**Issuer did not cooperate; Based on best available information*

Annexure 3: Detailed explanation of the covenants of the rated instruments/facilities: 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:

Established in 1993, CARE Ratings Ltd. is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

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.

Disclaimer

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