

Empee Distilleries Limited

September 01, 2020

Rating

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn
Total Facilities	-		
Non-Convertible Debentures	-	-	Withdrawn

Details in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE D; ISSUER NOT COOPERATING (Single D; ISSUER NOT COOPERATING) assigned to the bank facilities and the non-convertible debentures of Empee Distilleries Limited (EDL) with immediate effect. The above action has been taken following the National Company Law Tribunal's approval on January 20, 2020 for the Resolution Plan submitted by one of the resolution applicants with respect to EDL under the Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Promoted in 1983 by Mr M P Purushothaman, EDL is the flagship company of the Empee group mainly engaged in the manufacturing of Indian Made Foreign Liquor (IMFL) in the states of Tamil Nadu (TN), Kerala and Karnataka. EDL has a licensed capacity of 7.2 million cases per annum, spread among these three states. EDL also produces power through a bio-mass based power plant of 10 MW capacity in TN and has a 60 Kilo Litre per Day (KLPD) grain based alcohol plant in Andhra Pradesh (AP). The company is in the resolution process under Insolvency and Bankruptcy Code (IBC), 2016 as per NCLT order dated November 01, 2018.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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Fund-based - LT-Term Loan	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit	-	-	-	-	0.00	Withdrawn
Fund-based - ST-Bills discounting/ Bills purchasing	-	-	-	-	0.00	Withdrawn
Debentures-Non Convertible Debentures	INE180G07024	Apr 2016	14	Apr 2021	0.00	Withdrawn
Debentures-Non Convertible Debentures	INE180G07032	Sep 2016	14	Apr 2021	0.00	Withdrawn

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

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) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (11-Apr-17)
2.	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (11-Apr-17)
3.	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (11-Apr-17)
4.	Fund-based - ST-Bills discounting/ Bills purchasing	ST	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE D (11-Apr-17)
5.	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE D; ISSUER NOT COOPERATING* (17-Sep-19)	1)CARE D; ISSUER NOT COOPERATING* (05-Jun-18) 2)CARE C; Negative; ISSUER NOT COOPERATING* (05-Apr-18)	1)CARE B; Negative (11-Apr-17)

Annexure 3: Complexity level of various instruments rated for this Company

Sr. No.	Name of the Instrument	Complexity Level
1.	Debentures-Non Convertible Debentures	Simple
2.	Fund-based - LT-Cash Credit	Simple
3.	Fund-based - LT-Term Loan	Simple
4.	Fund-based - ST-Bills discounting/ Bills purchasing	Simple
5.	Non-fund-based - ST-Letter of credit	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Mr. P. Sudhakar

Contact no - 044-2850 1000

Email ID - p.sudhakar@careratings.com

Relationship Contact

Mr. Pradeep Kumar

Contact no. - +91-44-2850 1000

Email ID - pradeep.kumar@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

CARE's ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**