



ICRA

CONFIDENTIAL

Ref: ICRA:BLR:2019-20/RT-BASEL/215

August 20, 2019

Mr. P.A Poonacha
Deputy Vice President - Finance
United Breweries Limited,
UB Tower, Level 4, UB City
#24, Vittal Mallya Road
Bangalore – 560 001

Dear Sir,

Re: Surveillance of ICRA-assigned Credit Rating for Rs. 880.00 crore Line of Credit of United Breweries Limited (instrument details in Annexure).

Please refer to the Rating Agreement between ICRA Limited (“ICRA”) and United Breweries Limited, whereby, ICRA is required to review its ratings, on an annual basis, or as and when the circumstances so warrant.

Please note that the Rating Committee of ICRA, after due consideration, has reaffirmed the long-term rating outstanding on the captioned Line of Credit (LOC) at [ICRA]AA+ (pronounced ICRA Double A Plus)[†]. The Outlook on the long-term rating is **Stable**. The Rating Committee of ICRA has also reaffirmed the short-term rating outstanding on the captioned LOC at [ICRA]A1+ (pronounced ICRA A One Plus).

The aforesaid ratings will be due for surveillance anytime before July 31, 2020.

The ratings as stated above are specific to the terms and conditions of the LOC as indicated to us by you. In case there is any change in the terms and conditions, or the size of the rated LOC, the same must be brought to our notice immediately. Any such change would warrant a rating review, following which there could be a change in the ratings assigned. Notwithstanding the foregoing, any change in the over-all limit of the LOC from that specified in the first paragraph of this letter would constitute an enhancement that would not be covered by or under the said Rating Agreement.

ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

[†] For complete rating definition please refer to ICRA Website www.icra.in or any of the ICRA Rating Publications



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You are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme [interest and principal obligations for fund based as well as obligations under LOC/BG for non-fund based facility]. This is in accordance with requirements prescribed in circular dated June 30, 2017 on 'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)' issued by the Securities and Exchange Board of India.

You are also requested to inform us forthwith of any default or delay in the payment of interest and/or principal against the rated debt programme, or any other debt instruments and/or borrowings of your company. Further, you are requested to keep us informed of any other developments that could have a direct or indirect impact on the debt servicing capability of your company, with such developments including, but not limited to, any proposal for re-schedulement or postponement of repayment against any dues and/or debts of your company with any lender(s) and/or investor(s).

We thank you for your kind co-operation extended during the course of the rating exercise. Please let us know if you need any clarification.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,

for ICRA Limited

[Swathi Hebbar]
Assistant Vice President
swathi.hebbar@icraindia.com

[Mythri Macherla]
Assistant Vice President
mythri.macherla@icraindia.com

Encl:



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'No Default Statement on the Company Letter Head'

To

<CRA Name and Address>

Dear Sir/ Madam,

1. We hereby Confirm that as on date there are no Over dues or default on our debt obligations
2. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of our debt obligations.
3. We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <Month and Year name>.
4. We also confirm that in the month ended <Month and Year name>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
5. We also confirm that there has been no overdraw of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
6. Details of delay/ default/ rescheduling of interest or principal as on date/ in the month ended<Month and Year name> , in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>



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Annexure

Details of bank facilities rated by ICRA (on the long-term scale)

Bank	Instruments	Amount (Rs. crore)	Rating
Term loans			
BNP Paribas Bank	Term loan	130.0	[ICRA]AA+ (Stable)
Fund based			
Citibank N.A.	Fund based facilities	60.0	
HDFC Bank Limited	Fund based facilities	75.0	
State Bank of India	Fund based facilities	60.0	
Rabo Bank	Fund based facilities	60.0	
Standard Chartered Bank	Fund based facilities	75.0	
State Bank of India	Fund based facilities	70.0	
DBS Bank	Fund based facilities	75.0	
IDBI Bank	Fund based facilities	50.0	
Kotak Mahindra Bank	Fund based facilities	75.0	
Non-fund based			
State Bank of India	Non-fund based facilities	70.0	
State Bank of India	Non-fund based facilities	30.0	
HDFC Bank Limited	Non-fund based facilities	50.0	
Total		880.0	

The aforementioned fund based and non-fund based facilities can be utilized either as long-term or short-term facilities. In case these limits are utilized as short-term facilities, the short-term rating assigned by ICRA shall accordingly apply

Details of bank facilities rated by ICRA (on the short-term scale)

Bank	Instruments	Amount (Rs. crore)	Rating
Fund based			
Citibank N.A.	Fund based facilities	60.0	[ICRA]A1+
HDFC Bank Limited	Fund based facilities	75.0	
State Bank of India	Fund based facilities	60.0	
Rabo Bank	Fund based facilities	60.0	
Standard Chartered Bank	Fund based facilities	75.0	
State Bank of India	Fund based facilities	70.0	
DBS Bank	Fund based facilities	75.0	
IDBI Bank	Fund based facilities	50.0	
Kotak Mahindra Bank	Fund based facilities	75.0	
Non-fund based			
State Bank of India	Non-fund based facilities	70.0	
State Bank of India	Non-fund based facilities	30.0	
HDFC Bank Limited	Non-fund based facilities	50.0	
Total		750.0	

The aforementioned fund based and non-fund based facilities can be utilized either as long-term or short-term facilities. In case these limits are utilized as long-term facilities, the long-term rating assigned by ICRA shall accordingly apply