August 19, 2026

To,

BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 **Scrip Code (BSE): 544203**	"Exchange Plaza" C-1, Block G, Bandra-Kurla Complex, Bandra (East) Mumbai - 400051 **Symbol: ABDL**
Our Reference No. 57/2026-27	

Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Credit Rating

Dear Sir/Madam,

India Ratings and Research ('Ind-Ra') has upgraded Allied Blenders and Distillers Limited's ('the Company'/ 'ABDL') **long-term Bank facilities to 'IND AA-' from 'IND A' with a Stable Outlook** and **short-term Bank facilities to 'IND A1+' from 'IND A1',** and rated new facilities as follows:

Instrument Description	Regulator of Instrument	Size of Issue (In Million)	Rating assigned along with Outlook/Watch	Rating Action
Bank Facilities	RBI	INR 12,750	IND AA-/Stable/IND A1+	Upgraded
Bank Facilities		INR 3,250	IND AA-/Stable/IND A1+	Assigned

The Press Release issued by Ind-Ra in this regard, which was received by the Company on August 19, 2026 at 12:22 P.M. (IST) is annexed herewith.

This intimation is also being uploaded on Company's website and can be accessed at https://www.abdindia.com/

Request you to please take the above information on records.

Thanking you.
Yours sincerely,
For **Allied Blenders and Distillers Limited**

Sumeet Maheshwari
Digitally signed by Sumeet Maheshwari
Date: 2026.08.19 12:50:22 +05'30'

Sumeet Maheshwari
Company Secretary & Compliance Officer
Membership No. ACS - 15145

Encl: a/a

India Ratings & Research
A Fitch Group Company

India Ratings Upgrades Allied Blenders and Distillers' Bank Facilities to 'IND AA-'/Stable/'IND A1+'; Rates Additional Limits

Aug 19, 2026 | ALLIED BLENDERS AND DISTILLERS LIMITED (Formerly Allied Blenders and Distillers Pvt. Ltd) | Breweries & Distilleries

India Ratings and Research (Ind-Ra) has upgraded Allied Blenders and Distillers Limited's (ABDL) long-term bank facilities to 'IND AA-' from 'IND A' with a Stable Outlook and short-term bank facilities to 'IND A1+' from 'IND A1', and rated new facilities as follows:

Details of Instruments

Instrument Type	Regulator of Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (INR million)	Rating Assigned with Outlook/Watch	Rating Action
Bank loan facilities	RBI	-	-	-	12,750	IND AA-/Stable/IND A1+	Upgraded
Bank loan facilities	RBI	-	-	-	3,250	IND AA-/Stable/IND A1+	Assigned

Analytical Approach

Ind-Ra continues to consolidate ABDL's subsidiaries while arriving at the ratings, given the strong operational and strategic linkages among the entities.

Detailed Rationale of the Rating Action

The rating upgrade reflects ABDL's continued growth in consolidated scale of operations in FY26, which Ind-Ra expects to sustain with scale and grow further over the medium term, led by strong sales momentum in key brands and markets. Moreover, the improved profitability is likely to sustain, led by a better sales-mix through premiumisation, leading to enhanced gross margins. Progress in ongoing backward integration projects is set to support EBITDA margins in the medium term, mitigating risks from extra neutral alcohol (ENA) price volatility and further improving margins. Furthermore, the agency expects ABDL's consolidated net leverage to remain comfortable over the medium term, despite the significant ongoing capex. The company's strong market position in the Indian made foreign liquor (IMFL) industry, pan-India diversification, and the industry's growing market size also provide adequate comfort on the sustainability of scale and steady improvement over the medium to longer term.

The ratings are, however, constrained by ABDL's elongated net working capital cycle, due to higher concentration and lagging receivables in the Telangana market, potentially resulting in lower-than-expected cash flow generation and increase leverage over the medium term. The luxury segment, launched in FY25, is likely to continue to dilute the consolidated profitability over the medium term, presenting key segmental ramp-up risk. Additionally, heightened near-term risk from inflation in packaging costs due to the ongoing West Asia conflict might pressure the margins in FY27.

List of Key Rating Drivers

Strengths

- Sustained growth in scale, led by strong sales volumes
- Improved EBITDA margins likely to sustain with continued premiumisation
- Leverage likely to remain comfortable in medium term, despite high capex
- Backward integration boosts margins; 100% ENA integration expected by FY29
- Established pan-India market position and growing industry size
- Significant barriers for new entrants

Weaknesses

- Volatility in ENA and packaging material costs; geopolitical headwinds
- Extended working capital cycle, due to higher Telangana concentration
- Regulatory risks inherent to alco-beverages industry
- Losses in key subsidiary due to nascent Luxury portfolio operations

Detailed Description of Key Rating Drivers

Sustained Growth in Scale Led by Strong Sales Volumes: ABDL's scale of operations grew sustainably, with the consolidated revenue growing at a CAGR of 10.81% over FY21-FY26. The net revenue (gross revenue less excise duty) also increased to INR39,228 million in FY26 (FY25: INR35,199 million; FY24: INR33,279 million), led by higher IMFL sales volume of 35.88 million cases (33.07 million; 31.66 million). Sales volumes grew at a CAGR of 7% in FY21-FY26, due to increased geographical diversification alongside overall industry growth. ABDL's consolidated EBITDA also improved significantly, reaching INR5,418 million in FY26 (FY25: INR4,305 million; FY24: INR2,421 million). The agency expects continued growth in scale over the medium term, led by the strong growth momentum of its key brand - Iconiq White whisky, launched in FY23, and its growing market share in Uttar Pradesh. The agency thus expects the entity to maintain a comfortable credit profile over the medium term, despite its significant capex plans.

Improved EBITDA Margins Likely to Sustain with Continued Premiumisation: ABDL's consolidated EBITDAR margin improved yoy during FY24-FY26, significantly enhancing its credit profile. The EBITDAR margin rose to 13.81% in FY26 (FY25: 12.23%; FY24: 7.28%), driven by the continued premiumisation in ABDL's sales mix, with the higher-margin Prestige and Above (P&A) segment's contribution to overall IMFL sales rising to 57.3% in FY26 (FY25: 49.9%; FY24: 47.4%). The management expects the P&A segment's revenue contribution to continue growing over the medium term, supported by strong momentum in Iconiq White, marketing initiatives for the other Prestige brands, and growth in the luxury portfolio under the subsidiary - ABD Maestro Private Limited (ABDM), which started generating revenue in FY26. The sustained growth in the overall realisations, led by the improving sales mix, is likely to offset any input cost headwinds from the ongoing geopolitical concerns in the near term. Ind-Ra hence expects the entity's consolidated ROCE to remain above 15% over the medium term. Furthermore, the India-UK FTA, effective from July 2026, is also expected to support ABDL's margins, especially in the Premium and Luxury segments, through a reduction of the import duties applicable on bulk scotch procurement from the UK.

Leverage Likely to Remain comfortable in the Medium Term despite high Capex: ABDL's credit metrics improved significantly during FY25-FY26, led by improved internal accruals. The consolidated net leverage (Ind-Ra-adjusted net debt/operating EBITDAR) remained largely stable yoy at 1.87x in FY26, despite the overall gross debt rising to INR11,504 million (FY25: INR9,052 million) to fund capex for ongoing projects and acquisitions in the luxury portfolio. ABDL is likely to incur further significant capex over FY27 - FY28 for backward integration projects, which may keep free cash flow negative and further increase the external debt. Nevertheless, this might be largely offset by a growing scale of operations, keeping net leverage comfortably around 2.5x or lower over the medium term. Furthermore, ABDL approved a board resolution for raising funds of up to INR10,000 million through an issue of fresh equity shares or other equity-linked securities to fund capex plans in May 2026, which can significantly reduce the net leverage below Ind-Ra's expections. The agency also takes comfort from the entity's public guidance that its net debt/EBITDA and net debt/equity will be maintained below the stated framework of 2.0x and 0.75x, respectively, during the capex phase.

Backward Integration Boosts Margins; 100% ENA Integration Expected by FY29: ABDL's ongoing distillery expansion project under its subsidiary Minakshi Agro Industries LLP in Maharashtra is planned to be commissioned in 1HFY28 and will enhance the entity's existing distillery capacity to meet around 66% of the entity's ENA requirement captively. The entity has announced further distillery expansion plans to increase the ENA integration to 100% by FY29 - FY30. The agency expects increased backward integration to lead to margin improvement from FY28 and offer long-term protection from raw material price volatility, as ENA forms a significant majority of the entity's raw material costs. ABDL also has an ongoing malt distillery project, which the management expects to commission in 1HFY27, to support malt spirits requirements in its P&A portfolios, further enhancing margins. The entity's PET manufacturing plant, commissioned in 2QFY26 and meeting 70%-75% of its annualised PET packaging requirements, largely supports margins in its lower-price point Mass Premium segment.

The significant advancement in ABDL's backward integration initiatives assures the agency of the sustainability of EBITDA margins and the likelihood of a further improvement over the medium term.

Established Pan-India Market Position and Growing Industry Size: ABDL is a leading alco-bev companyin India, in terms of scale, and is among the few liquor manufacturers with a pan-India bottling and distribution network, covering every market except states where alcohol distribution is legally prohibited.

The Indian IMFL industry has been continuously growing this decade, with consumption gradually shifting from country liquor to IMFL. ABDL's strategic pricing of key brands is likely to keep capture this transitionary demand, while acquiring several existing brands in the Luxury segment, along with its own brands, is likely to increase market share at the upper-end of the IMFL industry. Furthermore, ABDL expanded its international presence to 39 countries in 1QFY27 from 23 countries. This provides adequate comfort to the agency towards the sustainability of the scale of operations in the medium-to-longer term.

Significant Barriers for New Entrants: The Indian alco-beverages industry is highly regulated and segmented, with each Indian state and union territory operating as an independent market with distinct policies for licensing, distribution, pricing, and taxation. The inter-state movement of alcohol incurs heavy taxation, posing significant barriers for regional players to diversify. ABDL is among the few liquor manufacturers with a pan-India bottling and distribution network, eliminating excess duty burdens from inter-state movement and mitigating regulatory risks through geographically diversified cash flows. Operating in this complex regulatory environment requires significant time, and a deep and diverse understanding of the market, creating significant barriers to entry at pan-India level. This indirectly protects existing pan-India manufacturers such as ABDL from new large-scale competitors, although competition among existing players remains intense. Furthermore, distilleries require large investments, creating high financial barriers for new entrants.

Volatility in ENA and Packaging Material costs; Geopolitical Headwinds: ENA and packaging materials, including glass and PET, account for a significant portion of ABDL's input costs. Ind-Ra expects glass bottle prices to increase in FY27 due to the West Asia war, which is likely to raise the entity's overall packaging costs and pressure margins. Furthermore, while ENA prices have been relatively stable since 2025, they have historically been volatile, influenced by various agro-commodity factors and government's ethanol policy. The entity's ability to pass on price volatility to customers is limited and not immediate, as prices are regulated by state governments in most markets.

Ind-Ra takes comfort from the entity's increasing overall realisation, led by premiumisation in the sales mix, which is likely to offset any near-term inflationary pressure in packaging costs. Meanwhile, increasing backward integration provides medium-term protection to margins from ENA price volatility.

Extended Working Capital Cycle due to Higher Telangana Concentration: ABDL's net working capital cycle elongated in FY26 largely owing to incremental inventory in its Luxury portfolio and higher bulk scotch inventory. While the entity's inventory days remain largely in line with the industry average, its debtor days (trade receivables/gross revenue including excise duty) at 87 in FY26 (FY25: 79; FY24: 59) have been higher than to the industry average since FY24. This is because of a higher concentration in the state of Telangana, accounting for 20% - 25% of ABDL's IMFL revenue, than the industry average of 8% - 10%. Collections from the Telangana State Beverages Corporation Limited (TSBCL), which acts as the sole distributor of alco-beverages in the state, have generally been slower than other states since FY24. Furthermore, ABDL, along with other IMFL manufacturers, has significant overdue receivables from TSBCL, increasing the overall debtor days.

Regulatory Risks inherent to Alco-beverages Industry: The Indian alco-beverages industry is highly regulated with state-level liquor policies regulating the route-to-market, levy of duties including excise, and output prices in every state. Hence, the industry performance remains susceptible to policy changes in each state. ABDL mitigates the risk through geographic diversification. However, an adverse change in policy in big states such as Telangana, Uttar Pradesh, or Andhra Pradesh, accounting significantly to the overall IMFL market and the entity's revenues, could be impact ABDL's scale of operations.

Losses in Key Subsidiary due to Nascent Luxury Portfolio Operations: ABDL launched its Luxury portfolio under its subsidiary ABDM (80% shareholding) in FY25, with revenue generation starting in FY26. ABDM incurred standalone losses in FY26, which Ind-Ra expects to continue in the near to medium term due to higher brand-building expenditure in the Luxury segment and significant competition from established brands.

Liquidity

Adequate: ABDL's Ind-Ra-adjusted consolidated cash flow operations (CFO; reported CFO less net interest paid) improved significantly to INR2,277 million in FY26 (FY25: negative INR8,031 million), led by the strong growth in the scale of operations.. The entity had unencumbered cash and cash equivalents of INR1,352 million at FYE26 (FYE25: INR1,039 million). The average maximum utilisation of the entity's fund-based working capital limits for the 12 months ended June 2026 was 83.5%. Furthermore, ABDL has adequate external debt tied up for its capex requirement in FY27, giving the agency adequate comfort on the near-term liquidity. The planned INR10,000 million fresh issue of funds should also aid the near-to-medium term liquidity. The entity has consolidated repayment obligations of INR665 million and INR702 million in FY27 and FY28, respectively, for its debt outstanding at FYE26, which is likely to be met adequately through its internal accruals.

Rating Sensitivities

Positive: A significant increase in the scale of operations and EBITDA margins, a shorter net working capital cycle, improved liquidity position, and the net leverage falling below 1.25x, all on a sustained basis, could be positive for the ratings.

Negative: Any material deterioration in the scale of operations or EBITDA margins, or an elongated net working capital cycle, or higher-than-expected debt-funded capex resulting in the net leverage remaining above 2.25x in the medium term, all on a sustained basis, will be negative for the ratings.

Any Other Information

Standalone Performance: ABDL's net revenue grew to INR38,802 million in FY26 (FY25: INR35,197 million) and operating EBITDA grew to INR5,754 million (INR4,315 million) resulting in net leverage reducing to 1.76x (1.93x).

About the Company

ABDL is engaged in manufacturing and distributing IMFL and has a pan-India presence with over 40 bottling units and two distilleries. It has an ENA manufacturing capacity of 71mlpa. The entity has over three decades of operating track record in the Indian IMFL industry with its flagship brand Officer's Choice Whisky. ABDL owns over 30 brands across all segments of the IMFL market including four Millionaire brands.

Key Financial Indicators

Particulars - Consolidated	FY26	FY25
Revenue (INR million)	39,228	35,199
EBITDAR (INR million)	5,418	4,305
EBITDAR margin (%)	13.81	12.23

Particulars - Consolidated	FY26	FY25
Gross interest coverage (x)	4.02	3.44
Net leverage (x)	1.87	1.86
Source: ABDL; Ind-Ra		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook				
	Rating Type	Rated Limits (million)	Current Rating	21 July 2025	3 October 2024	22 May 2024	20 October 2023	17 May 2023
Bank loan facilities	Long-term/Short-term	16,000	IND AA-/Stable/ IND A1+	IND A/Positive/IND A1	IND A-/Positive/ IND A1	IND BBB+/Rating Watch with Developing Implications/IND A2/Rating Watch with Developing Implications		IND BBB+/Rating Watch with Negative Implications/IND A2/Rating Watch with Negative Implications
Issuer Rating	Long-term	-	-	-	-	-	WD	IND BBB+/Rating Watch with Negative Implications

Bank wise Facilities Details

The details are as reported by the issuer as on (19 Aug 2026)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	IDFC First Bank	Bill Discounting	2300	IND AA-/Stable / IND A1+

2	IndusInd Bank Limited	Bill Discounting	1000	IND AA-/Stable / IND A1+
3	IDFC First Bank	Fund Based Working Capital Limit	950	IND AA-/Stable / IND A1+
4	IndusInd Bank Limited	Fund Based Working Capital Limit	1000	IND AA-/Stable / IND A1+
5	Bandhan Bank	Fund-based working capital limit	250	IND AA-/Stable / IND A1+
6	Yes Bank Ltd	Fund-based working capital limit	1000	IND AA-/Stable / IND A1+
7	ICICI Bank	Fund-based working capital limits	1250	IND AA-/Stable / IND A1+
8	Aditya Birla Capital Limited	Term Loan	772	IND AA-/Stable
9	Bajaj Finance	Term loan	513	IND AA-/Stable
10	Bandhan Bank	Term Loan	2075	IND AA-/Stable
11	ICICI Bank	Term Loan	1500	IND AA-/Stable
12	IndusInd Bank Limited	Term Loan	1000	IND AA-/Stable
13	NA	Proposed Bank loan facilities	2390	IND AA-/Stable / IND A1+

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Bank loan facilities	Low

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

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APPLICABLE CRITERIA AND POLICIES

Corporate Rating Methodology

Parent and Subsidiary Rating Linkage

Short-Term Ratings Criteria for Non-Financial Corporates

The Rating Process

Evaluating Corporate Governance

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