

September 21, 2022

Arunachal Tea & Industries Pvt. Ltd.: Rating continues to remain under issuer Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	3.60	3.60	[ICRA]B+ (Stable); ISSUER NOT COOPERATING *; Rating downgraded from [ICRA]BB+ (Stable) and Continues to remain under the 'Issuer Not Cooperating' category
Long Term-Unallocated limits	6.31	6.31	[ICRA]B+ (Stable); ISSUER NOT COOPERATING *; Rating downgraded from [ICRA]BB+ (Stable) and Continues to remain under the 'Issuer Not Cooperating' category
Total	9.91	9.91	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

s opinion on the rating without factoring in the explicit credit enhancement.

Rationale

The ratings downgrade is because of lack of adequate information regarding Arunachal Tea & Industries Pvt. Ltd.'s performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its "Policy in respect of non-cooperation by a rated entity" available at www.icra.in. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Arunachal Tea & Industries Pvt. Ltd., Further, ICRA has been sending repeated reminders to the entity but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide this information due to non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity
Parent/Group Support	NA
Consolidation/Standalone	For arriving at the rating, ICRA has consolidated the financials of the Group entities (as mentioned in Annexure -2) given the close business, financial and managerial linkages among them

About the company

Arunachal Tea & Industries Pvt. Ltd. (ATIPL), incorporated in 1943, owns a tea garden in Dibrugarh district of Assam, which is spread over a cultivable area of 221 HA. The company belongs to the Jalan Group, which is involved in the tea business under the leadership of Mr. Manoj Jalan. ATIPL mainly manufactures orthodox variety of black tea, which is sold in the domestic market through a mix of auction and private sales.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					21-Sep-2022	04-Aug-2021	-	24-Mar-2020	11-Jun-2019
1	Cash Credit	Long-term	3.60	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	[ICRA]BBB- (Negative)	[ICRA]BBB- (Stable)
2	Unallocated limits	Long-term	6.31	-	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	[ICRA]BB+ (Stable) ISSUER NOT COOPERATING	-	[ICRA]BBB- (Negative)	[ICRA]BBB- (Stable)

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	3.60	[ICRA]B+ (Stable) ISSUER NOT COOPERATING
NA	Unallocated limits	-	-	-	6.31	[ICRA]B+ (Stable) ISSUER NOT COOPERATING

Source: Arunachal Tea & Industries Pvt. Ltd.

Annexure-2: List of entities considered for consolidated analysis:

Company Name	Ownership	Consolidation Approach
Ethelwold Estate Pvt. Ltd.	-	Full Consolidation
Limbuguri Tea Estate Pvt. Ltd.	-	Full Consolidation

ANALYST CONTACTS

Jayanta Roy

+91 033 7150 1100

jayanta@icraindia.com

Subhechha Banerjee

+91 33 7150 1130

subhechha.banerjee@icraindia.com

Naman Bhansari

+91-79-40271555

naman.bhansari@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee

+91 80 4332 6401

jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2022 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.