

March 02, 2023

## Shree Tirupati Balajee Agro Trading Co. Pvt. Ltd.: Ratings Withdrawn

### Summary of rating action

| Instrument*  | Previous Rated Amount<br>(Rs. crore) | Current Rated Amount<br>(Rs. crore) | Rating Action                     |
|--|--------------------------------------|-------------------------------------|-----------------------------------|
| Long Term Fund-Based – Export Packing Credit/Cash Credit | 80.00                                | 80.00                               | [ICRA]BBB(Negative);<br>Withdrawn |
| Long Term Fund-Based – Term Loan                         | 34.31                                | 34.31                               | [ICRA]BBB(Negative);<br>Withdrawn |
| Long Term Unallocated                                    | 3.45                                 | 3.45                                | [ICRA]BBB(Negative);<br>Withdrawn |
| Short Term Non-Fund Based                                | 24.00                                | 24.00                               | [ICRA]A3+; Withdrawn              |
| <b>Total</b>   | <b>141.76</b>                        | <b>141.76</b>                       |                                   |

\*Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **Shree Tirupati Balajee Agro Trading Co. Pvt. Ltd.** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key Rating Drivers, Liquidity Position, Rating Sensitivities and Key Financial Indicator have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

| Analytical Approach             | Comments  |
|---------------------------------|---|
| Applicable rating methodologies | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">Policy on Withdrawal of Credit Ratings</a><br><a href="#">Consolidations and Rating Approach</a>   |
| Parent/Group support            | Not Applicable  |
| Consolidation/Standalone        | ICRA has taken a consolidated view of Shree Tirupati Balajee Agro Trading Co. Pvt. Ltd., subsidiaries – Shree Tirupati Balajee FIBC Limited (STBFL), Jagannath Plastics Pvt. Ltd. (JPPL) and Honourable Packaging Pvt. Ltd. (HPPL). |

### About the company

Shree Tirupati Balajee Agro Trading Co. Pvt. Ltd. (STBATCPL) was incorporated in 2001 by Mr. Binod Agarwal. The promoters have an experience of more than 15 years in the packaging industry. The company manufactures flexible intermediate bulk containers (FIBC)/jumbo bags. It manufactures various types of FIBC bags such as standard bag, baffle bag, conductive bag, cross corner bag, etc., which are used in food, pharmaceutical, mineral and mining, construction and agricultural produce packaging. The company's manufacturing facility is at Pithampur, Indore (M.P.) having a capacity of 18,000 metric tonnes per annum (MTPA) of FIBC bags.

STBATCPL is a part of Pithampur, Indore-based Shree Tirupati Balajee Group, which is primarily involved in the manufacturing of FIBC. The Group companies includes Shree Tirupati Balajee FIBC Ltd. (manufactures high value-added FIBC bags for food and pharma segments), Jagannath Plastics Pvt. Ltd. (manufactures intermediate technical textile fabric from polymers),

Honourable Packaging Pvt. Ltd. (manufactures plastic granules, polyethylene fabric and tarpaulin from waste material). Shree Tirupati Balajee FIBC Ltd. is a 100% export-oriented unit and holds the British Retail Consortium food safety certification. The Group has a combined manufacturing capacity of 25,000 MTPA of FIBC bags.

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

| Instrument                 | Type       | Current rating (FY2023)  |                                | Chronology of rating history for the past 3 years |                         |                         |             |                         |
|----------------------------|------------|--------------------------|--------------------------------|---|-------------------------|-------------------------|-------------|-------------------------|
|                            |            | Amount rated (Rs. crore) | Amount outstanding (Rs. crore) | Date & rating in FY2023                           | Date & rating in FY2022 | Date & rating in FY2021 |             | Date & rating in FY2020 |
|                            |            |                          |                                | Mar 02, 2023                                      | Feb 9, 2022             | Jan 06, 2021            | May 5, 2020 | Nov 21, 2019            |
| 1 Export Packing Credit/CC | Long Term  | 80.00                    | -                              | [ICRA]BBB (Negative); Withdrawn                   | [ICRA]BBB (Negative)    | [ICRA]BBB (Negative)    | [ICRA]BBB @ | [ICRA]BBB (Stable)      |
| 2 Term Loans               | Long Term  | 34.31                    | 34.31                          | [ICRA]BBB (Negative); Withdrawn                   | [ICRA]BBB (Negative)    | [ICRA]BBB (Negative)    | [ICRA]BBB @ | [ICRA]BBB (Stable)      |
| 3 Unallocated              | Long Term  | 3.45                     | -                              | [ICRA]BBB (Negative); Withdrawn                   | [ICRA]BBB (Negative)    | [ICRA]BBB (Negative)    | [ICRA]BBB @ | [ICRA]BBB (Stable)      |
| 4 Letter of Credit         | Short Term | 22.00                    | -                              | [ICRA]A3+; Withdrawn                              | [ICRA]A3+               | [ICRA]A3+               | [ICRA]A3+ @ | [ICRA]A3+               |
| 5 Bank Guarantee           | Short Term | 2.00                     | -                              | [ICRA]A3+; Withdrawn                              | [ICRA]A3+               | [ICRA]A3+               | [ICRA]A3+ @ | [ICRA]A3+               |

@Rating placed on watch with negative implication

### Complexity level of the rated instruments

| Instrument                        | Complexity Indicator |
|-----------------------------------|----------------------|
| Export Packing Credit/Cash Credit | Simple               |
| Term Loan                         | Simple               |
| Unallocated                       | NA                   |
| Letter of Credit                  | Very Simple          |
| Bank Guarantee                    | Very Simple          |

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 are available on ICRA's website: [Click Here](#)

## Annexure I: Instrument details

| ISIN No | Instrument Name                          | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (Rs. crore) | Current Rating and Outlook      |
|---------|--|-----------------------------|-------------|---------------|--------------------------|---------------------------------|
| NA      | Export Packing Credit/CC                 | NA                          | NA          | NA            | 80.00                    | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-1                             | April 2016                  | 10.3%       | May 2022      | 0.14                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-2                             | November 2021               | 6.8%        | October 2027  | 1.20                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-3                             | July 2020                   | 7.7%        | March 2022    | 0.09                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-4                             | July 2020                   | 7.7%        | March 2026    | 1.17                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-5                             | July 2020                   | 6.9%        | October 2023  | 0.27                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-6                             | July 2021                   | 7.5%        | August 2026   | 2.87                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-7                             | October 2020                | 7.7%        | August 2025   | 1.46                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Term Loans-8                             | December 2020               | 10.0%       | August 2028   | 8.25                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Demand Loan                              | July 2020                   | 7.3%        | June 2022     | 1.66                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -1 | December 2020               | 8.0%        | October 2025  | 2.38                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -2 | February 2021               | 8.4%        | January 2026  | 8.00                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -3 | January 2021                | 7.4%        | March 2026    | 1.19                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -4 | January 2021                | 7.8%        | January 2026  | 2.40                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -5 | January 2021                | 7.5%        | December 2025 | 2.63                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Common Covid-19 Emergency Credit Line -6 | December 2020               | 9.5%        | December 2025 | 0.60                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Unallocated                              | NA                          | NA          | NA            | 3.45                     | [ICRA]BBB (Negative); Withdrawn |
| NA      | Letter of Credit                         | NA                          | NA          | NA            | 22.00                    | [ICRA]A3+; Withdrawn            |
| NA      | Bank Guarantee                           | NA                          | NA          | NA            | 2.00                     | [ICRA]A3+; Withdrawn            |

Source: Company

[Please Click here to view details of lender-wise facilities rated by ICRA](#)

## Annexure II: List of entities considered for consolidated analysis:

| Company Name                        | Ownership | Consolidated Approach |
|-------------------------------------|-----------|-----------------------|
| Shree Tirupati Balajee FIBC Limited | 51.28%    | Full Consolidation    |
| Jagannath Plastics Pvt. Ltd.        | 82.00%    | Full Consolidation    |
| Honourable Packaging Pvt Ltd        | 75.00%    | Full Consolidation    |

Source: Shree Tirupati Balajee Agro Trading Pvt. Ltd.

## ANALYST CONTACTS

**Sabyasachi Majumdar**

+91 12 4454 5304

[sabyasachi@icraindia.com](mailto:sabyasachi@icraindia.com)

**Prashant Vasisht**

+91 12 4454 5322

[anupama.reddy@icraindia.com](mailto:anupama.reddy@icraindia.com)

**Sai Krishna**

+91 44 4596 4300

[sri.krishna@icraindia.com](mailto:sri.krishna@icraindia.com)

**Kushal Shah**

+91 79 4027 1527

[kushal.shah@icraindia.com](mailto:kushal.shah@icraindia.com)

## RELATIONSHIP CONTACT

**Jayanta Chatterjee**

+91 80 4332 6401

[jayantac@icraindia.com](mailto:jayantac@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## Helpline for business queries

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

[info@icraindia.com](mailto: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](http://www.icra.in)

## ICRA Limited



### Registered Office

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



### Branches



© Copyright, 2023 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](http://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.