

February 21, 2024

Apeejay Tea Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	135.00	135.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	412.00	412.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Fund Based-Cash Credit	39.00	39.00	[ICRA]D; ISSUER NOT COOPERATING*/[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term / Short Term-Unallocated	38.25	38.25	[ICRA]D; ISSUER NOT COOPERATING*/[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Fund Based-Cash Credit	33.75	33.75	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	658.00	658.00	

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

[^]Instrument details are provided in Annexure-I

Rationale

ICRA has kept the Long-Term and Short-Term ratings of Apeejay Tea Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as "[ICRA]D; ISSUER NOT COOPERATING/[ICRA]D; ISSUER NOT COOPERATING".

As part of its process and in accordance with its rating agreement with Apeejay Tea Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

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 the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Policy on Default Recognition Rating Methodology - Tea
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Apeejay Tea Limited is a part of the Kolkata-based Apeejay Group, which in addition to tea has interests in shipping, hospitality, real estate and retail. ATL carries out the bulk tea businesses of the Group through its 17 gardens and operates the packet tea business under Apeejay Typhoo brand. The overall operating profile, however, is determined by the performance of the bulk tea operations, which account for ~95% of its income.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years					
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in	Date & Rating in FY2022			Date & Rating in FY2021
				21-Feb-2024	28-Dec-2022	07-Sep-2021	14-Jul-2021	27-Apr-2021	20-Jul-2020
1 Long Term-Cash Credit	Long Term	135.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]BB (Negative); ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)	[ICRA]BBB+ (Negative)
2 Term Loan	Long Term	412.00	279.7	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]BB (Negative); ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)	[ICRA]BBB+ (Negative)
3 Long Term/Short Term-Cash Credit	Long Term/Short Term	39.00	-	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]BB (Negative)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA]A3	[ICRA]BBB+ (Negative)/ [ICRA]A2
4 Unallocated	Long Term/Short Term	38.25	-	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]BB (Negative)/ [ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA]A3	[ICRA]BBB+ (Negative)/ [ICRA]A2
5 Short Term-Cash Credit	Short Term	33.75	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A3	[ICRA]A2

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long Term-Cash Credit	Simple
Term Loan	Simple
Long Term/ Short Term-Cash Credit	Simple
Unallocated	Not Applicable
Short Term-Cash Credit	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, is 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	Long Term-Cash Credit	-	-	-	135.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Term Loan	FY2018-19	9.95%-11.35%	FY2026-FY2029	412.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Long Term/Short Term-Cash Credit	-	-	-	39.00	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	38.25	[ICRA]D; ISSUER NOT COOPERATING/ [ICRA]D; ISSUER NOT COOPERATING
NA	Short Term-Cash Credit	-	-	-	33.75	[ICRA]D; ISSUER NOT COOPERATING

Source: Apeejay Tea Limited

Annexure-II: List of entities considered for consolidated analysis: Not Applicable

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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.

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