December 28, 2022

Apeejay Tea Limited: Ratings continues under Issuer Non-Cooperating Category

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
LT- Fund-based- Cash Credit	135.00	135.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
LT- Fund-based- Term Loans	412.00	412.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
ST- Fund-based - Cash Credit	33.75	33.75	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
LT/ST- Fund-based- Cash Credit	39.00	39.00	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
LT/ST- Unallocated	38.25	38.25	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under 'Issuer Not Cooperating' category
Total	**658.00**	**658.00**	

**Instrument details are provided in Annexure-I*

Rationale

ICRA has retained the ratings for the bank facilities of Apeejay Tea Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING". 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 ratings may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As a 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, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In absence of requisite information and in line with the aforesaid policy of ICRA, a rating view has been taken on the entity based on the best available information.

Please refer to the following link for the previous detailed rationale that captures the 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	Corporate Credit Rating Methodology Policy in respect of non-co-operation by the rated entity Rating Methodology for Entities in the Indian Bulk Tea Industry Policy on default recognition
Parent/Group support	-
Consolidation/Standalone	The ratings are based on the standalone financial profile of the company

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: Not Applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Amount rated (Rs. crore)	Amount outstanding as on Mar 31, 2021 (Rs. crore)	Current rating (FY2023) Date & rating in FY2023	Chronology of rating history for the past 3 years Date & rating in FY2022			Date & rating in FY2021	Date & rating in FY2020		
					Dec 28, 2022	Sep 07, 2021	Jul 14, 2021	Apr 27 2021	Jul 20, 2020	Mar 06, 2020	Oct 29, 2019	May 06, 2019
1	Fund Based- CC	Long-term	135.00	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]BB (Negative) ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)	[ICRA]BBB+ (Negative)	[ICRA]A- (Negative)	-	-
2	Term loans	Long-term	412.00	279.7	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]BB (Negative) ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)	[ICRA]BBB+ (Negative)	[ICRA]A- (Negative)	-	-
3	Fund Based Limits	Short-Term	33.75	-	[ICRA]D ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING	[ICRA]A4 ISSUER NOT COOPERATING	[ICRA]A3	[ICRA]A2	[ICRA]A2	-	-
4	Fund Based Limits	Long-Term/ Short-Term	39.00	-	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING	[ICRA]BB (Negative)/ [ICRA]A4 ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA]A3	[ICRA]BBB+(Negative)/ [ICRA]A2	[ICRA]A- (Negative)/ [ICRA]A2	-	-
5	Unallocated	Long-Term/ Short-Term	38.25	-	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING	[ICRA]BB (Negative)/ [ICRA]A4 ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA]A3	[ICRA]BBB+(Negative)/ [ICRA]A2	[ICRA]A- (Negative/ [ICRA]A2	-	-
6	Fund based/ non-fund based interchangeable	Long-Term/ Short-Term	-		-	-	-	-	-	-	[ICRA]A@/ [ICRA]A2+@	[ICRA]A (Negative)/ [ICRA]A2+
7	CP Programme	Short-Term	-		-	-	-	-	-	Withdrawn at [ICRA]A2	[ICRA]A2+@	[ICRA]A2+

@ denotes rating watch with negative implications; RWN: rating watch with negative implication

Complexity level of the rated instruments

Instrument	Complexity Indicator
LT-Fund Based- CC	Simple
LT-Term Loans	Simple
ST- Fund Based Limits	Simple
LT/ST Fund Based Limits	Simple
LT/ST Unallocated	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 are available on ICRA's website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Fund Based-CC**	NA	NA	NA	135.00	[ICRA]D ISSUER NOT COOPERATING
NA	**Term Loans**	FY2018-19	9.95%-11.35%	FY2026-FY2029	412.00	[ICRA]D ISSUER NOT COOPERATING
NA	**Fund Based Limits**	NA	NA	NA	33.75	[ICRA]D ISSUER NOT COOPERATING
NA	**Fund Based Limits**	NA	NA	NA	39.00	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING
NA	**Unallocated**	NA	NA	NA	38.25	[ICRA]D/[ICRA]D ISSUER NOT COOPERATING

Source: Company

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.

For more information, visit www.icra.in

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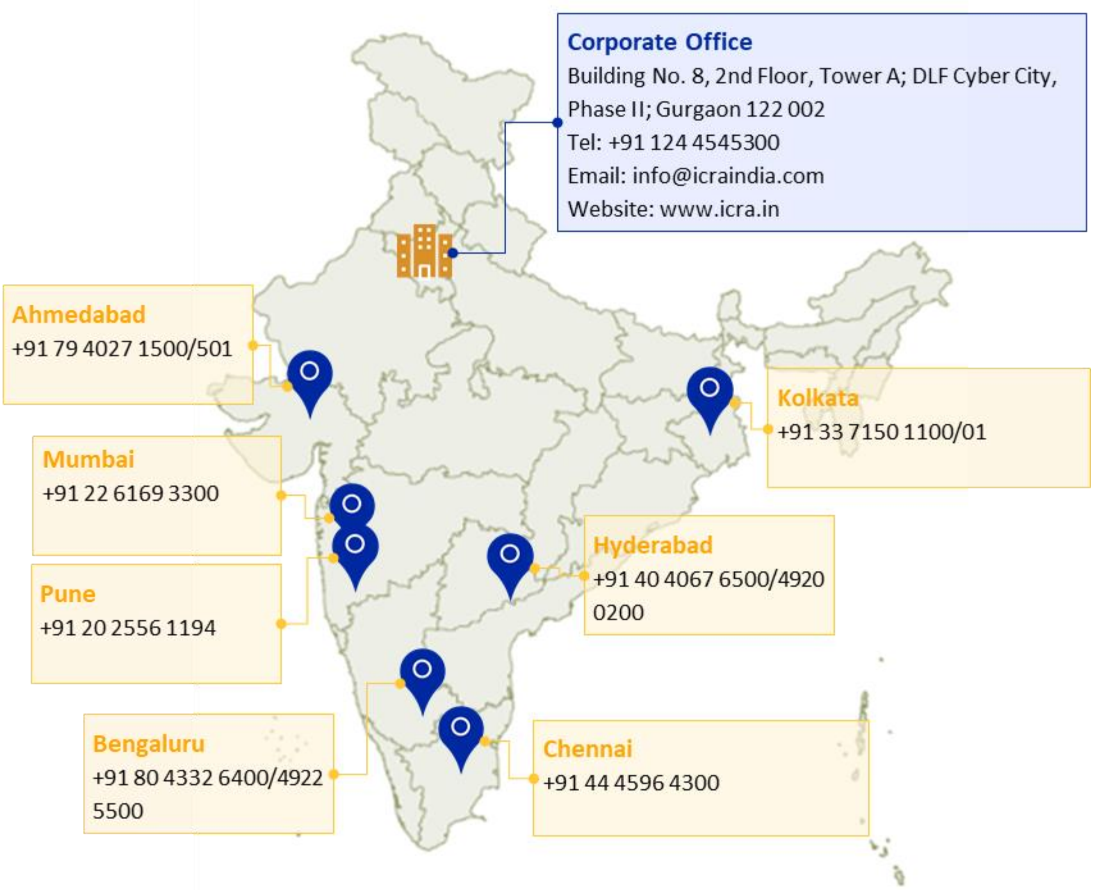

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