February 16, 2023

Mcleod Russel India 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- Term Loan	360.00	360.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term-Fund Based- Cash Credit	491.76	491.76	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Short Term-Non Fund Based-Others	15.41	15.41	[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Long Term/Short Term-Fund Based-Cash Credit	163.92	163.92	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING*; Rating Continues to remain under issuer not cooperating category
Total	**1031.09**	**1031.09**	

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

^Instrument details are provided in Annexure-1

Rationale

ICRA has retained the long term and short term ratings for the bank facilities of Mcleod Russel India Limited in the 'Issuer Not Cooperating' category. The rating are denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

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 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 the Key rating drivers and their description, Liquidity position, Rating sensitivities,Key Financial Indiactors: **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
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

McLeod Russel India Limited (MRIL), the tea plantation company of the Kolkata-based B.M. Khaitan Group, was originally incorporated as Eveready Company India Private Ltd. on May 5, 1998. MRIL was formed after the demerger of the bulk-tea business from Eveready Industries India Ltd. (EIIL) with effect from April 1, 2004. MRIL has acquired several other companies like Williamson Tea Assam in FY2006, Doom Dooma Tea Company in FY2007 and Moran Tea in FY2008. These acquisitions helped MRIL increase the number of tea estates to 53 in India, with the total land under tea cultivation being 33,723 hectares (Ha). MRIL also acquired tea estates through its subsidiaries in Vietnam (three tea estates and seven factories), Uganda (six tea estates and five factories) and Rwanda (two tea estates and two factories) between CY2009 and CY2014, which took the total production to around 118 Mkg on a consolidated basis during FY2018. In the recent past, MRIL has sold one tea estate in the Dooars, and twenty more, of which eighteen are in Assam and two in Dooars. Post conclusion of the sale, the company would have 32 tea estates with the capacity to manufacture around 42 mkg of tea from own leaves. MRIL is primarily a producer of CTC tea, which accounts for around 96% of the total tea production.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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		
					16-Feb-2023	07-Dec-2021	22-Oct-2020	01-Jul-2019	17-Jun-2019	06-May-2019
1	Term Loan	Long Term	360.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B- (Negative); ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)
2	Cash Credit	Long Term	491.76	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B- (Negative); ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)
3	Non - Fund Based	Short Term	15.41	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA] A4; ISSUER NOT COOPERATING	[ICRA] A3
4	Cash Credit	Long Term / Short Term	163.92	-	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B- (Negative)/ [ICRA] A4; ISSUER NOT COOPERATING	[ICRA]BBB- (Negative)/ [ICRA] A3

Complexity level of the rated instrument

Instrument	Complexity Indicator
Term Loan	Simple
Long Term -Cash Credit	Simple
Non -Fund Based	Very Simple
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-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Term Loan	-	-	-	360.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Long Term - Cash Credit	-	-	-	491.76	[ICRA]D; ISSUER NOT COOPERATING
NA	Non -Fund Based	-	-	-	15.41	[ICRA]D; ISSUER NOT COOPERATING
NA	Cash Credit	-	-	-	163.92	[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING

Source: Mcleod Russel India Limited

Annexure-2: 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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