June 06, 2023

Tasty Bite Eatables Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based – Cash Credit	75.00	75.00	[ICRA]A+(Stable); withdrawn
Short Term – Non-fund Based Facilities	2.00	2.00	[ICRA]A1; withdrawn
Total	**77.00**	**77.00**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **Tasty Bite Eatables Limited** at the request of the company and based on the No objection certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal of ratings. 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Rating Drivers, Liquidity Position and Rating Sensitivities have not been captured as the rated instruments are being withdrawn.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	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Rating Methodology for the Entities in the Fast-Moving Consumer Goods (FMCG) Industry Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group support	Parent/Group Company: Mars, Inc. The ratings are based on implicit support from Mars, Inc., as TBEL and Mars, Inc., both operate in the business of food products with significant business linkages between them in terms of product offerings and geographies covered.
Consolidation/Standalone	The ratings are based on the standalone financial statements of TBEL.

About the company

Tasty Bite Eatables Limited is a manufacturer of ethnic and natural vegetarian packaged and ready-to-eat/serve (RTE) food products, sold under the Tasty Bite brand in the US, Australia, the UK, Germany and Canada. The company also offers a range of unique products such as sauces, meals and frozen food in the domestic market through its business segment, Tasty Bite Food Service (TFS). TBEL is a part of the Preferred Brands Group of companies, acquired by the latter in 1999. The Group's holding company is Preferred Brands International Inc. (PBI), located in Stamford, Connecticut, USA, which in turn is 100% owned by Mars, Inc., USA. PBI is in the business of marketing and reselling RTE foods under the Tasty Bite brand in USA, while its associate Mars companies are engaged in marketing and reselling RTE food products in Australia, the UK, Germany and Canada. TBEL is listed on BSE Ltd and National Stock Exchange of India Ltd. The company's manufacturing facility is situated at Bhandgaon, Maharashtra.

Key financial indicators (audited)

TBEL Standalone	FY2021	FY2022	FY2023*
Operating income	400.3	381.3	475.7
PAT	39.3	10.3	30.2
OPBDIT/OI	17.2%	11.4%	13.4%
PAT/OI	9.8%	2.7%	6.4%
Total outside liabilities/Tangible net worth (times)	1.2	1.0	0.9
Total debt/OPBDIT (times)	2.5	3.2	2.1
Interest coverage (times)	22.7	5.3	6.7

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

**based on limited audit*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

SN	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in FY2023		Date & Rating in FY2022	Date & Rating in FY2021
					Jun 06, 2023	Jan 25, 2023	May 05, 2022	-	Mar 30, 2021
1	**Cash credit**	Long-Term	**75.00**	-	**[ICRA]A+ (Stable); Withdrawn**	**[ICRA]A+ (Stable)**	**[ICRA]A+ (Negative)**	-	**[ICRA]A+ (Stable)**
2	**Non-Fund Based facilities (Bank Guarantee)**	Short Term	**2.00**	-	**[ICRA]A1; Withdrawn**	**[ICRA]A1**	**[ICRA]A1**	-	**[ICRA]A1**

Complexity level of the rated instruments

Instrument	Complexity Indicator
Cash credit	Simple
Non-Fund Based facilities (Bank Guarantee)	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	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	75.00	[ICRA]A+(Stable); Withdrawn
NA	Bank Guarantee	NA	NA	NA	2.00	[ICRA]A1; 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: 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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