August 30, 2019

Golden Tobacco Limited: Rating continues to remain under 'Issuer Not Cooperating' category

Summary of Rated Instrument:

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based – Cash Credit	44.30	44.30	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Fund based – Term Loan	6.50	6.50	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term – Non-Fund Based	3.00	3.00	[ICRA]D ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	**53.80**	**53.80**	

*Issuer did not co-operate; based on best available information.

Rationale

The rating for Rs. 53.80-crore bank facilities of Golden Tobacco Limited ('GTL' or 'the company) continues to remain under 'Issuer Not Cooperating' category. The rating is now denoted as "[ICRA]D ISSUER NOT COOPERATING". ICRA had earlier moved the rating of GTL to the 'ISSUER NOT COOPERATING' category due to non-submission of requisite information by the entity to undertake surveillance of the rating.

The rating action is based on best available information. As part of its process and in accordance with its rating agreement with GTL, 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 the absence of requisite information, and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The rating is based on no information on the entity's performance since the time it was last rated in May 2018. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating does not adequately reflect the credit risk profile of the entity. The entity's credit profile may have changed since the time it was last reviewed by ICRA; however, in the absence of requisite information, ICRA is unable to take a definitive rating action.

Analytical approach

ICRA has applied its rating methodologies/policies as indicated below:

Links to applicable criteria:

Policy in respect of non-cooperation by the rated entity

About the company:

Golden Tobacco Limited (GTL) was established by the late Shri Narsee Monjee in the year 1930 in Mumbai (Maharashtra) as a proprietary firm, and later went public in the year 1955. The company was set up as an integrated tobacco processing, cigarette rolling and packaging unit, and has its manufacturing operations located at Vadodara (Gujarat) set up in 1972 apart from the original unit in Mumbai (now being used for real estate development), and a tobacco processing unit in Guntur (Andhra Pradesh). In 1979, the company was taken over by "Dalmia Group", led by Mr. Sanjay Dalmia. The major brand & brand extensions being manufactured are Panama, Chancellor, CHL, Panama Premium Filter and Panama Mini King.

The previous detailed rating rationale is available on the following link: Click here

Key financial indicators: 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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