

Press Release

Soongachi Tea Industries Private Limited

November 30, 2021



Rating Reaffirmed and Issuer not co-operating

| Product | Initial Quantum (Rs. Cr.) | Net Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|-------------------|---------------------------|----------------------|---|---|
| Bank Loan Ratings | 0.75 | 0.75 | | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 12.41 | 12.41 | ACUITE B+ Reaffirmed Issuer not co-operating* | |
| Total | 13.16 | 13.16 | - | - |

Rating Rationale

Acuite has Reaffirmed the long-term rating to '**ACUITE B+**' (read as **ACUITE B Plus**) and the short term rating to '**ACUITE A4**' (read as **ACUITE A four**) on the Rs 13.16 crore bank facilities of Soongachi Tea Industries Private Limited. The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

STIPL was incorporated in 1970 and is engaged in manufacturing and blending of tea under the brand name 'Sona'. STIPL owns a tea estate at Mal Bazar in Jalpaiguru District (West Bengal) with ~ 3500 acres of gross plantation area of which ~1550 acres are under tea. The company, in addition to own plantation, procures green leaves from other estates in the vicinity and readymade tea from auction centres for blending. The company has an annual installed capacity to produce ~40 lac kg of tea. Currently, the operations are managed by Mr. B K Saria, Mr. Ghanshyam Das Agarwal, Mr. S K Saria and Mr. S. M. Changoiwala.

Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions

lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 27 Aug 2020 | Cash Credit | Long Term | 12.04 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Term Loan | Long Term | 0.37 | ACUITE B+ (Downgraded and Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 0.75 | ACUITE A4 (Issuer not co-operating*) |
| 19 Jun 2019 | Term Loan | Long Term | 0.37 | ACUITE BB- Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.75 | ACUITE A4 (Reaffirmed) |
| | Cash Credit | Long Term | 12.04 | ACUITE BB- Stable (Reaffirmed) |
| 11 Jul 2018 | Cash Credit | Long Term | 12.04 | ACUITE BB- Stable (Reaffirmed) |
| | Term Loan | Long Term | 0.37 | ACUITE BB- Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.75 | ACUITE A4 (Reaffirmed) |
| 18 May 2017 | Cash Credit | Long Term | 12.04 | ACUITE BB- Stable (Reaffirmed) |
| | Term Loan | Long Term | 0.37 | ACUITE BB- Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 0.75 | ACUITE A4 (Reaffirmed) |
| 28 May 2016 | Term Loan | Long Term | 0.37 | ACUITE BB- Stable (Assigned) |
| | Cash Credit | Long Term | 12.04 | ACUITE BB- Stable (Assigned) |
| | Bank Guarantee | Short Term | 0.75 | ACUITE A4 (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Initial Quantum (Rs. Cr.) | Net Quantum (Rs. Cr.) | Rating |
|----------------------|----------------|------------------------------------|------------------|----------------|----------------|---------------------------|-----------------------|--|
| Punjab National Bank | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 0.75 | 0.75 | ACUITE A4 Reaffirmed Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Cash Credit | Not Applicable | Not Applicable | Not Applicable | 12.04 | 12.04 | ACUITE B+ Reaffirmed Issuer not co-operating* |
| Punjab National Bank | Not Applicable | Term Loan | Not available | Not available | 20-01-2020 | 0.37 | 0.37 | ACUITE B+ Reaffirmed Issuer not co-operating* |

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About Acuité Ratings & Research

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,850 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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