

Press Release

The Ananda Bag Tea Company Limited (TABTCL)

January 23, 2019



Rating Update

| | |
|-------------------------------------|---------------------------------------|
| Total Bank Facilities Rated* | Rs. 15.00 Cr. |
| Long Term Rating | ACUITE BB+ Issuer non-cooperating* |
| Short Term Rating | ACUITE A4+ Issuer non-cooperating* |

* Refer Annexure for details

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BB+** (**read as ACUITE double B plus**) and short term of '**ACUITE A4+** (**read as ACUITE A4 plus**) on the Rs. 15.00 crore bank facilities of The Ananda Bag Tea Company Limited (TABTCL). This rating is now an indicative rating and is based on best available information.

Incorporated in 1920, The Ananda Bag Tea Company Limited (TABTCL) is engaged in the manufacturing, blending and retailing of tea. The company owns a tea garden- 'Ananda Tea Estate' in Upper Assam and produces around 8 lakh kg of Indian black tea (including CTC and orthodox). Additionally, the company has 100000 sq. ft. of metalised blend floor and packaging units in Kolkata. The company sells its packaged tea under the 'Top Tee Gold', 'Top Tee Premium', 'Ananda Gold', 'Golden Sip' and 'Top Tee Jananta brand names.

Non-cooperation by the issuer/borrower:

Acuité 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 due date.

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

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

| | Unit | FY18(Actual) | FY17 (Actual) | FY16 (Actual) |
|-------------------------------|---------|--------------|---------------|---------------|
| Operating Income | Rs. Cr. | 40.17 | 42.76 | 26.94 |
| EBITDA | Rs. Cr. | 1.74 | 1.56 | 1.44 |
| PAT | Rs. Cr. | 0.15 | (0.13) | 1.52 |
| EBITDA Margin | (%) | 4.34 | 3.64 | 5.34 |
| PAT Margin | (%) | 0.37 | (0.30) | 5.63 |
| ROCE | (%) | 2.97 | 3.33 | 26.97 |
| Total Debt/Tangible Net Worth | Times | 0.14 | 0.36 | 0.48 |
| PBDIT/Interest | Times | 2.51 | 2.00 | 5.00 |
| Total Debt/PBDIT | Times | 2.23 | 6.42 | 2.05 |
| Gross Current Assets (Days) | Days | 138 | 187 | 203 |

Status of non-cooperation with previous CRA (if applicable)

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 (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|-----------|---------------------------------|------------|-----------------|------------------------------|
| 14-Nov-17 | Cash Credit | Long term | 8.20 | ACUITE BB+/Stable (Assigned) |
| | Packing Credit | Short Term | 0.80 | ACUITE A4+ (Assigned) |
| | Foreign Bill Discounting | Short Term | 4.00 | ACUITE A4+ (Assigned) |
| | Letter of Credit | Short Term | 2.00 | ACUITE A4+ (Assigned) |

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Cr.) | Ratings/Outlook |
|--------------------------|------------------|----------------|----------------|-----------------------------|--|
| Cash Credit | Not Applicable | Not Applicable | Not Applicable | 8.20 | ACUITE BB+ Issuer not co-operating* |
| Packing Credit | Not Applicable | Not Applicable | Not Applicable | 0.80 | ACUITE A4+ Issuer not co-operating* |
| Foreign Bill Discounting | Not Applicable | Not Applicable | Not Applicable | 4.00 | ACUITE A4+ Issuer not co-operating* |

| | | | | | |
|------------------|----------------|----------------|----------------|------|--|
| Letter of Credit | Not Applicable | Not Applicable | Not Applicable | 2.00 | ACUITE A4+ Issuer not co-operating* |
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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings 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 6,000 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 Mumbai.

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