



Press Release
Andrew Yule and Co Limited
November 22, 2023

Rating Downgraded, Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	33.76	ACUITE BB Downgraded Issuer not co-operating*	-
Bank Loan Ratings	32.60	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	66.36	-	-

Rating Rationale

Acuite has downgraded the long-term rating to **'ACUITE BB' (read as ACUITE double B)** from **'ACUITE BB+' (read as ACUITE double B Plus)** and reaffirmed the short-term rating to **'ACUITE A4+' (read as ACUITE A four plus)** on the Rs. 66.36 crore bank facilities of Andrew Yule and Company Limited. The rating continues to be flagged as "Issuer Not Co-operating" and is based on best available information.

The rating downgrade considers the decline in financial performance of Andrew Yule and Company Limited in H1FY2024.

About the Company

Incorporated in 1919 as a private sector company and later in 1979 acquired by Government of India (GoI), Andrew Yule and Co Limited is a public sector entity engaged primarily in the tea processing business. AYCL has several tea gardens in West Bengal and Assam. Currently the company is managed by the directors Mr. Vishwanath Giriraj, Mr. Sanjoy Bhattacharya and Mr. Kothenath Mohan among others. Further, the company has two other divisions, namely, engineering and electrical; where it manufactures transformers, regulators/rectifiers, circuit breakers, switches, industrial fans, tea machinery and does turnkey jobs. It has five operating units in West Bengal at Kalyani, Kolkata and in Chennai, Tamil Nadu.

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.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

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

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 endeavored 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.

Rating Sensitivity

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

All Covenants

Not Applicable

Liquidity Position

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

Outlook: Not Applicable**Other Factors affecting Rating**

Not Applicable

Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	373.46	337.24
PAT	Rs. Cr.	1.17	(0.90)
PAT Margin	(%)	0.31	(0.27)
Total Debt/Tangible Net Worth	Times	0.54	0.36
PBDIT/Interest	Times	2.53	3.18

Status of non-cooperation with previous CRA

Not Applicable

Any other information

None

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Oct 2023	Secured Overdraft	Long Term	11.75	ACUITE BB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	2.50	ACUITE A4+ (Issuer not co-operating*)
	Bills Discounting	Short Term	1.10	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	7.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	7.50	ACUITE BB+ (Issuer not co-operating*)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Issuer not co-operating*)
	Cash Credit	Long Term	14.51	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	13.00	ACUITE A4+ (Issuer not co-operating*)
18 Jul 2022	Letter of Credit	Short Term	2.50	ACUITE A4+ (Issuer not co-operating*)
	Bills Discounting	Short Term	1.10	ACUITE A4+ (Issuer not co-operating*)
	Secured Overdraft	Long Term	11.75	ACUITE BB+ (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	15.28	ACUITE BB+ (Withdrawn and Issuer not co-operating*)
	Cash Credit	Long Term	7.00	ACUITE BB+ (Withdrawn and Issuer not co-operating*)
	Cash Credit	Long Term	14.51	ACUITE BB+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	13.00	ACUITE A4+ (Issuer not co-operating*)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Issuer not co-operating*)
	Bills Discounting	Short Term	0.70	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
	Working Capital Demand Loan	Long Term	3.04	ACUITE BB+ (Withdrawn and Issuer not co-operating*)
	Bank Guarantee	Short Term	7.00	ACUITE A4+ (Issuer not co-operating*)
	Bank Guarantee	Short Term	0.76	ACUITE A4+ (Withdrawn and Issuer not co-operating*)
	Cash Credit	Long Term	7.50	ACUITE BB+ (Issuer not co-operating*)
Cash Credit	Long Term	30.36	ACUITE BB+ (Withdrawn and Issuer not co-operating*)	
	Secured Overdraft	Long Term	11.75	ACUITE BB+ Stable (Assigned)
	Cash Credit	Long Term	14.51	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Bank Guarantee	Short Term	1.50	ACUITE A4+ (Upgraded from ACUITE A4)
		Long		ACUITE BB+ Stable (Upgraded from

23 Apr 2021	Proposed Bank Facility	Term	15.28	ACUITE BB- Stable)
	Letter of Credit	Short Term	2.50	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	7.50	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Bank Guarantee	Short Term	7.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Letter of Credit	Short Term	9.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee	Short Term	0.76	ACUITE A4+ (Upgraded from ACUITE A4)
	Bank Guarantee	Short Term	13.00	ACUITE A4+ (Upgraded from ACUITE A4)
	Term Loan	Long Term	3.04	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Cash Credit	Long Term	7.00	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Bills Discounting	Short Term	0.70	ACUITE A4+ (Upgraded from ACUITE A4)
	Cash Credit	Long Term	30.36	ACUITE BB+ Stable (Upgraded from ACUITE BB- Stable)
	Bills Discounting	Short Term	1.10	ACUITE A4+ (Upgraded from ACUITE A4)
22 Jun 2020	Working capital demand loan	Long Term	3.04	ACUITE BB- Stable (Assigned)
	Bills Discounting	Short Term	1.80	ACUITE A4 (Reaffirmed)
	Cash Credit	Long Term	59.37	ACUITE BB- Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	27.03	ACUITE BB- Stable (Reaffirmed)
	Bank Guarantee	Short Term	22.26	ACUITE A4 (Reaffirmed)
	Letter of Credit	Short Term	11.50	ACUITE A4 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	13.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	7.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	14.51	ACUITE BB Downgraded Issuer not co-operating*
Bank of Baroda	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	7.50	ACUITE BB Downgraded Issuer not co-operating*
Indian Bank	Not Applicable	FBN/FBP/FBD/PSFC/FBE	Not Applicable	Not Applicable	Not Applicable	Simple	1.10	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank of Baroda	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.50	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	Simple	9.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Indian Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	11.75	ACUITE BB Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Abhishek Singh Analyst-Rating Operations Tel: 022-49294065 abhishek.s@acuite.in	

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.