



RATING RATIONALE

18 Jan 2020

Ambootia Tea Exports Private Limited

Brickwork Ratings revises the long term rating for the Bank Loan Facilities of ₹ 215.95 Crs, and revises the short term rating for the Bank Loan Facilities of ₹ 0.50 Crs, of Ambootia Tea Exports Private Limited ('ATEPL' or 'the Company'), as under, based on best available information, as the issuer did not cooperate:

| Facility | Amount (₹ Cr) | | Tenure | Rating* | |
|----------------|---------------|---------------|---|----------------------|---|
| | Previous | Present | | Previous (Dec 2018)# | Present |
| Fund based | 215.95 | 215.95 | Long Term | BWR BBB / Stable | BWR BB / Negative (Downgrade) Issuer Not Cooperating** |
| Non Fund Based | 0.50 | 0.50 | Short Term | BWR A3+ | BWR A4 (Downgrade) Issuer Not Cooperating** |
| Total | 216.45 | 216.45 | ₹ Two Hundred Sixteen Crores Forty Five Lakhs Only | | |

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Issuer did not cooperate, based on best available information

#Migrated to Rating Not Reviewed on 18-Dec-2019

RATING ACTION

On account of inadequate information and lack of management cooperation, Brickwork Ratings has downgraded the long-term rating of Ambootia Tea Exports Private Limited to BWR BB/Negative/ revised their short term rating to BWR A4, Issuer Not Cooperating, for their bank loan facilities of ₹ 216.45 Crores. The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating", since the ratings lack any projections or forward looking component, having been based on the best available information about the Company without any interaction either with their management, or the bankers.

OUTLOOK / NATURE OF NON-COOPERATION

The rating was due for a review in Dec, 2019. BWR took up with the issuer to provide required information, over emails and through telephone calls. The Company was last rated at BWR BBB/Stable/A3+ in Dec, 2018 and thereafter moved to the "Rating Not Reviewed" category in Dec, 2019. Despite the best efforts of BWR to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the Company, BWR is unable to assess the Company's financial performance and its ability to



service its debt and maintain a valid rating. The “negative” outlook on the Company is influenced by the fact that the industry in which it operates, has a tough time.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as, generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

PROFILE OF THE COMPANY (As per last press release dated 17-Dec-2018)

Ambootia Tea Exports Private Limited (ATEPL) is a private Limited was incorporated in 2009 by Mr Sanjay P Bansal and Ms Reena Bansal. ATEPL is engaged in tea business (Majorly Orthodox organic tea) and Non Tea business (Turmeric, Ginger Etc.) . Currently, the Company is majorly buying Darjeeling orthodox organic tea through tea auctions from different tea auctions centres. ATEPL has 12 warehouses (10 in Kolkata and 2 in Coimbatore) with an area of ₹ 2,67,700 Sq.ft. ATEPL has a reputed client base and has been successful in obtaining repeat orders from its customers. Mr Sanjay Bansal is the Chairman & Managing Director of the Company and his wife Ms Reena Bansal, both are directors of the Company and supported by a team of professionals.

Key Covenants of Instrument / Facility Rated : Not Applicable

Non-Cooperation with previous Rating Agency, if any : Not Applicable

Any other information : Not Applicable

Rating History for the last three years

| Facilities | Current Rating (Jan 2020) | | | Rating History | | |
|-------------------|--------------------------------------|------------------|---|------------------------|--------------------|------------------------|
| | Tenure (Long Term/ Short Term) | Amount (₹ Cr) | Rating | 18-Dec-2019 | 17-Dec-2018 | 17-Aug-2017** |
| Fund Based | Long Term | 215.95 | BWR BB/Negative (Downgraded) Issuer Not Cooperating* | Rating Not Reviewed | BWR BBB/ Stable | Rating Not Reviewed |
| Non Fund Based | Short Term | 0.50 | BWR A4 (Downgraded) Issuer Not Cooperating* | | BWR A3+ | |
| Total | | 216.45 | ₹ Two Hundred Sixteen Crores and Forty Five Only | | | |

*Issuer did not cooperate, based on best available information

**Rating Moved to Not Reviewed Category



Complexity Levels of the Instruments

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [What Constitutes Non-Cooperation](#)

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