

## K. B. Tea Product Private Limited

May 15, 2024

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	5.60	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable;
Short Term Bank Facilities	0.40	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated February 20, 2023, placed the rating(s) of K. B. Tea Product Private Limited (KBTPPL) under the 'issuer non-cooperating' category as KBTPPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. KBTPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 06, 2024, January 16, 2024, January 26, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of KBTPPL have been revised on account of non-availability of requisite information. The revision also factored in increased debt levels which has led to deterioration in capital structure during FY23.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers:

Please refer to PR dated [February 20, 2023](#)

### Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Criteria on Assigning 'Outlook' or 'Rating Watch' to Credit Ratings](#)

### About the company

KBTPPL was incorporated in 1998 to initiate a tea blending, packaging and marketing unit at Siliguri in West Bengal. Currently the company is engaged in procuring processed tea leaf from local tea plants and after blending & packaging of the same, markets the same under its own brand name of "City Gold Tea". Currently the company markets its product in 17 states of India and has signed a selling arrangement with Indian Oil Corporation and Northern Railways. The day-to-day affairs of the company are looked after by Mr. Srawan Choudhary with the help of the other directors and a team of experienced personal.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	90.41	95.38
PBILDT	3.67	4.28
PAT	1.78	1.68
Overall gearing (times)	0.89	1.06
Interest coverage (times)	3.13	2.35

A: Audited, Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	5.60	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee	-	-	-	-	0.40	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	5.60	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (20-Feb-23)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (28-Dec-21)
2	Non-fund-based - ST-Bank Guarantee	ST	0.40	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (20-Feb-23)	1)CARE A4; ISSUER NOT COOPERATING* (28-Dec-21)

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities:** Not applicable

#### Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

#### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

### Contact us

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### About us:

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### Disclaimer:

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