

Press Release

Durrung Tea Estate Limited (Erstwhile Known AS SPBP Tea (India) Lim

July 13, 2021

Rating Update



Total Bank Facilities Rated*	Rs.7.15 Cr. #
Long Term Rating	ACUITE BB- Issuer not co-operating *

* Refer Annexure for details

Rating Rationale

Acuité has reviewed long-term rating of '**ACUITE BB-' (read as ACUITE double B minus)** of Rs.7.15 crore bank facilities of Durrung Tea Estate Limited (erstwhile known as SPBP Tea (India) Limited). This rating is now an indicative rating and is based on best available information. The rating is constrained by information risk.

About the company

Incorporated in 1981, in the Darrang district of Assam, Durrung Tea Estate Limited (DTEL) is engaged in tea manufacturing and processing business. The company is part of the Jalan Industries Private Limited. The company mainly cultivates and manufactures orthodox tea (loose tea leaf) and curl tea (CTC), under the brand name 'Durrung'. Durrung Tea estate spreads across 571 hectares of garden area with 390 hectares of plantation area.

Jalan group has many tea companies owned and operated by the Jalan family for four consecutive generations. Founded in 1939 by Mr. Murleidhor Jalan and presently they manage five tea estates in Upper Assam.

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.

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of DTEL to arrive at the rating

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.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 endeavored 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.

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 (Standalone)

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

Status of non-cooperation with previous CRA

Not Applicable

Any other information

Acuite 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	Ratings/Outlook
			(Rs. Crore)	
17-April-2020	Cash Credit	Long term	4.90	ACUITE BB-/Stable (Reaffirmed)
	Proposed Bank Facility	Long term	2.25	ACUITE BB-/Stable (Reaffirmed)
16-May-2019	Cash Credit	Long term	7.00	ACUITE BB- (Indicative)
	Proposed Bank Facility	Long term	0.15	ACUITE BB- (Indicative)
09-Mar-2018	Cash Credit	Long term	7.00	ACUITE BB-/Stable (Reaffirmed)
	Proposed Bank Facility	Long term	0.15	ACUITE BB-/Stable (Reaffirmed)

*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	10/04/2019	Not Available	Not Available	4.90	ACUITE BB- (Indicative)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE BB- (Indicative)

Contacts

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About Acuité Ratings & Research

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