

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

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	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

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Ratings Tel: 033-6620 1203 pooja.ghosh@acuite.in Srijita Chatterjee Analyst - Rating Operations Tel: 033-6620 1212 srijita.chatterjee@acuite.in	Varsha Bist Senior Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité Ratings & Research 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.

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. Acuité ratings 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. Acuité ratings 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.