

## Press Release

**Durrung Tea Estate Limited (Erstwhile Known AS SPBP Tea (India) L**

**October 03, 2022**



### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
<b>Bank Loan Ratings</b>	7.15	ACUITE B+   Downgraded   Issuer not co-operating*	-
<b>Total Outstanding Quantum (Rs. Cr)</b>	7.15	-	-
<b>Total Withdrawn Quantum (Rs. Cr)</b>	0.00	-	-

### Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE single B Plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the 7.15 crore bank facilities of Durrung Tea Estate Limited (erstwhile known as SPBP Tea (India) Limited). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information. The rating is downgraded on the account of 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. The Directors of Durrung Tea Estate Limited are Mr Dwija Das Chatterjee, Mr Mrityunjay Jalan, Mr Vadakillam Satheesan Nayar and Ms Avantika Jalan. 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:

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 noncooperation by the issuer along with an 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.

## About the Rated Entity - Key Financials

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

## Rating Sensitivity

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

## Material Covenants

None

## Liquidity Position

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

## Outlook

Not Applicable

## Status of non-cooperation with previous CRA

None

## Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

## 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

<https://www.acuite.in/view-rating-criteria-55.htm>

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
13 Jul 2021	Proposed Bank Facility	Long Term	2.25	ACUITE BB- ( Issuer not co-operating*)
	Cash Credit	Long Term	4.90	ACUITE BB- ( Issuer not co-operating*)
17 Apr 2020	Proposed Bank Facility	Long Term	2.25	ACUITE BB-   Stable (Reaffirmed)
	Cash Credit	Long Term	4.90	ACUITE BB-   Stable (Reaffirmed)
16 May 2019	Cash Credit	Long Term	7.00	ACUITE BB- (Issuer not co-operating*)
	Proposed Long Term Loan	Long Term	0.15	ACUITE BB- (Issuer not co-operating*)
09 Mar 2018	Cash Credit	Long Term	7.00	ACUITE BB-   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.15	ACUITE BB-   Stable (Reaffirmed)
08 Dec 2016	Cash Credit	Long Term	7.00	ACUITE BB-   Stable (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.15	ACUITE BB-   Stable (Assigned)
30 Nov 2015	Cash Credit	Long Term	7.00	ACUITE BB-   Stable (Assigned)
	Term Loan	Long Term	0.15	ACUITE BB-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.90	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	2.25	ACUITE B+   Downgraded   Issuer not co-operating* ( from ACUITE BB- )

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### 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.

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