

Press Release

Quality Tea Plantations Private Limited

June 07, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	0.75	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Bank Loan Ratings	23.25	ACUITE BB+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	24.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.24.00 Cr bank facilities of Quality Tea Plantations Private Limited (QTPPL). The rating is flagged as "Issuer Not-Cooperating" based on account of information risk.

About the Company

Incorporated in 1989, Quality Tea Plantations Private Limited (QTPPL) is engaged in manufacturing and processing of tea. The company owns a tea garden situated at Jalpaiguri, West Bengal. The estate, namely Kurti Tea Estate is spread across 625 hectares of garden area with 465 hectares of plantation area. The company is promoted by Mr. Balkrishna Dalmia and Mr. Rajat Dalmia. QTPPL produces black tea, which it sells in the domestic market through a mix of auction and private sales. The company has 25.00 Lacs Kg per annum of installed capacity for CTC tea.

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 non-cooperation by the issuer along with 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 endeavoured 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 ratings based.

Rating Sensitivities

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

Key Financials:

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

Status of non-cooperation with previous CRA

India Ratings, vide its press release dated February 11, 2019 had denoted the rating of Quality Tea Plantations Private Limited as 'IND BB-/A4+; ISSUER NOT COOPERATING'.

Any other information

Not Applicable

Applicable Criteria

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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
24 Mar 2021	Cash Credit	Long Term	18.56	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.29	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	1.71	ACUITE BB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.69	ACUITE BB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.75	ACUITE A4+ (Reaffirmed)
25 Feb 2021	Cash Credit	Long Term	18.56	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	2.29	ACUITE BB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.75	ACUITE A4+ (Reaffirmed)
	Term Loan	Long Term	1.71	ACUITE BB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.69	ACUITE BB+ Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	0.69	ACUITE BB+ Stable (Reaffirmed)

29 Nov 2019	Term Loan	Long Term	1.71	ACUITE BB+ Stable (Reaffirmed)
	Cash Credit	Long Term	18.56	ACUITE BB+ Stable (Reaffirmed)
	Term Loan	Long Term	1.01	ACUITE BB+ (Withdrawn)
	Term Loan	Long Term	2.29	ACUITE BB+ Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.75	ACUITE A4+ (Reaffirmed)
06 Nov 2018	Cash Credit	Long Term	13.81	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	0.01	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	1.84	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	2.29	ACUITE BB+ Stable (Assigned)
	Bank Guarantee	Short Term	0.75	ACUITE A4+ (Assigned)
	Proposed Bank Facility	Long Term	0.30	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	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE A4+ Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	18.56	ACUITE BB+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	0.69	ACUITE BB+ Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	26-03-2019	8.3	30-09-2021	1.71	ACUITE BB+ Reaffirmed Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	26-03-2019	8.3	31-03-2025	2.29	ACUITE BB+ Reaffirmed Issuer not co-operating*

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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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