

Press Release
DALMIA LAMINATORS LIMITED
October 07, 2025
Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	236.17	ACUITE BBB Positive Reaffirmed	-
Bank Loan Ratings	37.00	-	ACUITE A3+ Reaffirmed
Total Outstanding Quantum (Rs. Cr)	273.17	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BBB**' (read as **ACUITE Triple B**) and short-term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs. 273.17 crore bank facilities of Dalmia Laminators Limited (DLL). The outlook revised from '**Stable**' to '**Positive**'.

Rationale for rating

The revision in outlook is driven by the refinancing of debt and working capital limits at a group level, which is expected to reduce interest costs and further improve interest coverage ratio for FY 26. However, improvement of Debt service coverage ratio (DSCR) will remain key monitorable. Secondly, there has been sustainable improvement in absolute EBITDA and PAT over the years. Further, the ratings draw comfort from the extensive experience of the promoters and the group's established operational track record in both the tea and PP woven sack bags. The ratings also factor in its reputed customer base and well-developed distribution network. The group maintained a stable business risk profile, supported by growth in revenue during FY25, moderate financial risk profile and adequate liquidity position. However, the ratings remain constrained as profitability margins are susceptible to price volatility and exposure to agro-climatic risk as tea is an agricultural commodity. The working capital cycle has improved but remains intensive.

About the Company

Established in 1986 Kolkata based, Dalmia Laminators Limited (DLL) have two units in Tamil Nadu and one in Andhra Pradesh manufacturing Plastic Woven Sacks (PWS) used for bulk packaging of cement, fertilizers, food grains and sugar, chemicals, polymers and other commodities. Mr. Manish Dalmia, Mr. Girdhar Didwania, Mr. Vijay Dalmia, Mr. Girdhar Gopal Dalmia, Mr. Parekh Mani Baro and Ms. Sonam Jalan are the directors of the company.

About the Group

Established in 1997 Kolkata based, Dalmia Tea Plantation and Industries Limited (DTPIL) is one of India's leading tea cultivating, manufacturing, and processing company owning the most well equipped tea manufacturing plants in West Bengal. It has an annual capacity of ~ 10.50 million kgs per annum. Mr. Manish Dalmia, Mr. Girdhar Didwania, Mr. Vijay Dalmia, Mr. Girdhar

Gopal Dalmia, Mr. Parekh Mani Baro and Ms. Sonam Jalan are the directors of the company.

Established in 1919 Kolkata based, Bateli Tea Company Limited (BTCL), is a premium tea producing and marketing company, having a large tea plantation and manufacturing unit in Assam, with an annual capacity of producing ~ 4.00 million kgs per annum. Around 30 per cent of the tea is produced from the green leaves internally, and the rest 70 per cent is purchased from the neighbouring tea producers. Mr. Manish Dalmia, Mr. Girdhar Didwania, Mr. Vijay Dalmia, Mr. Girdhar Gopal Dalmia, Mr. Parekh Mani Baro and Ms. Sonam Jalan are the directors of the company.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has consolidated the business and financial risk profiles of Dalmia Laminators Limited (DLL) and its associates- Dalmia Tea Plantation and Industries Limited (DTPIL), and Bateli Tea Company Limited (BTCL) are together referred as 'M L Dalmia Group'. The consolidation factors the common promoters and management, intercompany share holdings, and strong financial linkages between the entities in the form of unsecured loans extended to each other.

Key Rating Drivers

Strengths

Established and diversified business profile

The M L Dalmia Group has been in the PP woven sacks segment for around 50 years. The sacks are sold to diverse end-user industries such as cement, food grain and polymer, fertilizer. Its other two group companies, DTPIL and BTCL, are involved in production and processing of tea having their own estates in West Bengal and Assam, respectively. Its promoters have been in the tea manufacturing business for several decades. This has helped the group establish a strong position in the tea industry and maintain substantial growth in revenue. The group will continue to maintain its business risk profile over the medium term aided by its long-standing relationships with reputed customers and suppliers.

Increase in operating income during FY25

The operating income stood at Rs.691.93 Cr. in FY2025 as against Rs.503.92 Cr. in FY2024 backed by increase in sales volume evident from improved capacity utilization and better realizations. Further, the group achieved Rs.299.63 Cr. till August 2025. Acuite expects that the scale of operations will improve in the near to medium term, supported by GST reduction on cement and ongoing expansion in housing and replantation efforts.

Moderate Financial Risk Profile

The group's moderate financial risk profile is marked by healthy network, moderate gearing below unity and modest debt protection metrics. The net worth of the group improved to Rs. 480.99 crore as on March 31, 2025, from Rs. 414.27 crore as on March 31, 2024, due to accretion of reserves. Acuite has considered unsecured loans of Rs.173.00 Cr. as on FY25 as against Rs. 123.35 crore as on FY2024 as quasi-equity as the management has undertaken to maintain the amount in the business over the medium term. Gearing of the group has improved and stood below unity at 0.71 times in FY2025 as against 0.85 times in FY2024. The debt protection metrics of the group remains stagnant in FY2025 as reflected from Interest Coverage Ratio (ICR) of 2.20 times and Debt Service Coverage Ratio (DSCR) of 1.00 times. The group has refinanced its term loans and working capital facilities for a tenor of 10 years, which is expected to lower interest costs and improve interest coverage from FY26 onwards. However, debt protection metrics especially DSCR and ICR will remain monitorable. Net Cash Accruals/Total Debt (NCA/TD) stood low at 0.13 times in FY2025. Acuité believes that going forward, despite having continuous capex towards replantation to ride-out the adversity of

the age profile of the tea-bushes, the financial risk profile of the group will remain on similar levels over the medium term.

Weaknesses

Intensive nature of working capital of operations

The working capital cycle has improved but remains intensive as reflected from GCA days of 169 days as on March 31, 2025, as against 202 days as on March 31, 2024. The inventory days of the group which stood at 121 days in FY2025 as against 163 days in FY2024. The inventory levels of the tea companies are usually high as it is a seasonal business, DTPL and BTCL maintains significant inventory during the year to mitigate the risk of low production. In case of DLL, the company follows a Just-in-Time (JIT) model, maintaining raw materials for 15–20 days based on confirmed orders and logistics considerations. Finished goods are considered as work-in-progress (WIP) until a release order is received after inspection takes place. The debtor days of the group stood at 55 days in FY2025 as against 61 days in FY2024. The creditor days stood at 33 days in FY2025 as against 42 days in FY2024. Going forward, Acuité believes that the working capital cycle will remain at similar levels as evident from efficient collection mechanism and high level of inventory period over the medium term.

Intense competition in the PP woven sacks industry and Exposure to volatility in tea prices and changing weather conditions

The PP woven sacks industry remains intensely competitive and fragmented, with numerous unorganized players limiting scalability for established entities like the M L Dalmia Group. Additionally, the group's tea operations face inherent risks from volatile weather patterns and fluctuating tea prices, impacting both yield and quality. Despite these challenges, the group has adopted a structured replantation policy and invested in high-yielding clones to sustain productivity.

In FY2025, EBITDA and PAT margins of the group moderated to 12.93% and 2.95%, respectively, from 15.54% and 3.62% in FY2024, primarily due to weather-related disruptions, quality control measures, and a higher share of bought leaf in their overall turnover. However, the cost pass-through model in the bought leaf segment helps mitigate fixed cost risks.

Profitability also remains sensitive to raw material price fluctuations, particularly crude oil derivatives used in industrial plastics, which continues to be a key monitorable. Acuité notes that the group has been taking specific steps to address the same by following a definite annual replantation policy. Also, the yields have been supported by increasing acreage under high-yielding clones and other focused efforts taken towards sustaining productivity.

Rating Sensitivities

Movement in operating income and profitability margins

Debt Protection metrics

Working capital cycle

Liquidity Position

Adequate

The group's liquidity is adequate marked by net cash accruals of Rs. 43.74 crore in FY2025 as against long term debt repayment of Rs. 44.78 crore over the same period. However, the promoters have extended significant financial support to the group, via unsecured loans to manage working capital and debt obligations. The current ratio stood moderate at 1.23 times as on March 31, 2025. The cash and bank balances of the group stood at Rs. 1.50 crore as on March 31, 2025. However, due to operations being working capital intensive there is significant dependence on external debt to fund its working capital requirements which is reflected in average fund-based limit utilization at ~ 86 percent and non-fund-based limits ~76% over the last six months ended April 2025. Acuité believes that going forward the group will be able to maintain adequate liquidity position due to sufficient accruals against debt repayments, support from the promoters through unsecured loans further aids liquidity and moderate current ratio albeit high bank limit utilization.

Outlook: Positive

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	691.93	503.92
PAT	Rs. Cr.	20.44	18.23
PAT Margin	(%)	2.95	3.62
Total Debt/Tangible Net Worth	Times	0.71	0.85
PBDIT/Interest	Times	2.20	2.23

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
12 Aug 2024	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	24.50	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.68	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	22.82	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	5.15	ACUITE BBB Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	22.68	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	1.78	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	1.19	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	7.65	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	9.16	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	64.25	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	2.60	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	11.71	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	12.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	22.82	ACUITE BBB Stable (Reaffirmed)
		Long		ACUITE BBB Stable

16 May 2023	Cash Credit	Term	10.68	(Assigned)
	Cash Credit	Long Term	24.50	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	6.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	11.00	ACUITE BBB Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	5.60	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	1.84	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	8.65	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	26.94	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	5.39	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	77.75	ACUITE BBB Stable (Reaffirmed)
04 Mar 2022	Bank Guarantee/Letter of Guarantee	Short Term	10.00	ACUITE A3+ (Assigned)
	Letter of Credit	Short Term	12.00	ACUITE A3+ (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	5.00	ACUITE A3+ (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	4.00	ACUITE A3+ (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	3.00	ACUITE A3+ (Assigned)
	Covid Emergency Line.	Long Term	20.00	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	2.60	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	4.25	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	88.25	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	11.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	6.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB Stable (Assigned)

	Cash Credit	Long Term	24.50	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	13.50	ACUITE BBB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A3+ Reaffirmed
Indusind Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A3+ Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.25	Simple	ACUITE A3+ Reaffirmed
UCO Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.75	Simple	ACUITE A3+ Reaffirmed
UCO Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	45.00	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	24.50	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
Indusind Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.50	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
Central Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
	Not		Not avl.	Not	Not			ACUITE

State Bank of India	avl. / Not appl.	Letter of Credit	/ Not appl.	avl. / Not appl.	avl. / Not appl.	12.00	Simple	A3+ Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.77	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
Aditya Birla Finance Limited	Not avl. / Not appl.	Term Loan	22 Oct 2024	Not avl. / Not appl.	22 Oct 2034	47.70	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive
Axis Finance Limited	Not avl. / Not appl.	Term Loan	23 Oct 2024	Not avl. / Not appl.	23 Oct 2034	47.70	Simple	ACUITE BBB Positive Reaffirmed Stable to Positive

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	Dalmia Laminators Limited
2	Dalmia Tea Plantation and Industries Limited
3	Bateli Tea Company Limited

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Manvi Khaitan Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

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