

July 03, 2026

## Amalgamated Plantations Private Limited: Ratings reaffirmed and assigned for enhanced amount

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Term Loan	89.48	98.57	[ICRA]BBB+ (Stable); reaffirmed and assigned for enhanced amount
Long-term Fund-based – Working Capital Term Loan	90.00	40.00	[ICRA]BBB+ (Stable); reaffirmed
Long-term – Unallocated Limits	10.52	1.43	[ICRA]BBB+ (Stable); reaffirmed
Long-term/ Short-term Fund-based – Working Capital Facilities	460.00	585.00	[ICRA]BBB+ (Stable)/ [ICRA]A2; reaffirmed and assigned for enhanced amount
<b>Total</b>	<b>650.00</b>	<b>725.00</b>	

\*Instrument details are provided in Annexure – II

### Rationale

The ratings reaffirmation takes into account established presence of Amalgamated Plantations Private Limited (APPL) in the domestic bulk tea industry and status as one of the largest producers of orthodox and CTC teas in India. The rating also takes comfort from the strong financial linkages with Tata Consumer Products Limited (TCPL, rated at [ICRA]AAA/ Stable/ [ICRA]A1+) given that APPL is a Tata Group company, where TCPL (41.03% stake in APPL) and Tata Investment Corporation Limited (24.61% stake in APPL) jointly hold 65.64% of the equity base. In addition, TCPL holds 100% of the preference share capital of APPL, which stands at around Rs. 310 crore at present. In FY2026, the entity's performance deteriorated with a decline in production and moderation in realisations, leading to subdued operating performance compared to the previous fiscal. The overall realisation declined from Rs. 243/kg in FY2025 to Rs. 234/kg in FY2026, primarily impacted by price correction from the second quarter onwards and a lower share of higher-margin teas where the crop shortfall was reported. The decline in own production, driven by adverse weather conditions and pest-related issues, further impacted revenues and profitability. In the current fiscal, the increase in wage rates in Assam by Rs 30/man-day is expected to further impact the profitability, while the expectation of increase in production and better realisation is likely to offset the impact to an extent. However, the improvement would be determined by the extent of improvement in the peak season during June-November 2026. Nonetheless, the coverage metrics are expected to be weak, and additional funding support would be required for meeting the debt-servicing, unless operational profitability improves significantly compared to the last fiscal. In addition, the impact of the evolving geopolitical situation in Middle East on the prices of orthodox variety of tea would be a key monitorable. Nonetheless, the history of shareholder funding along with the status of being part of the Tata Group entity provides comfort.

The ratings are also impacted by geographical concentration risk, agro-climatic risks, as well as the inherent cyclicity of the fixed-cost intensive tea industry that leads to variability in profitability and cash flows of all bulk tea producers including APPL. In addition, Indian tea is essentially a price taker in the international market and hence global supply-demand dynamics would continue to have a bearing on the domestic prices to some extent. The age profile of its tea bushes remains a challenge as a substantial portion of the bushes is over 60 years old, although the company is having a robust infilling and replantation policy in place. Nevertheless, the company's focus on improving the quality of its produce (which fetches a significant price premium over the average North Indian auction price), improving cost efficiency of its garden practices and a higher bought-leaf

operation (which provides some hedge to the fixed-cost intensive plantation operations), and status as a large producer of orthodox teas are likely to support the business profile, going forward.

The Stable outlook on the long-term rating reflects ICRA's opinion that APPL would be able to improve its revenues and profitability through quality improvements, better orthodox grade mix and focusing on maintaining yields along with cost optimisation initiatives.

## Key rating drivers and their description

### Credit strengths

**Status of being a Tata Group company, which holds a 65.64% stake** – APPL enjoys considerable financial flexibility for being a part of the Tata Group, which holds a 65.64% of the equity base in APPL through two companies, TCPL (41.03%) and Tata Investment Corporation Limited (24.61%). TCPL also holds 100% of the preference share capital in APPL. TCPL infused Rs. 200 crore in APPL as preference share capital in FY2022 and FY2023, as the company's cash flow remained under pressure. Further, trade advances and extension of repayment of preference shares also support the liquidity to an extent.

**Established position as a prominent bulk tea player in North India** – APPL is an established player in the domestic bulk tea industry and is one of the largest plantation companies in North India. Its total tea production in FY2026 stood at 32.7 million kg (Mkg), out of which around 26% was produced from bought leaves. The company is primarily a producer of CTC tea, however, the orthodox variety accounted for 32.4% of its total produce in FY2026, but the mix is dependent on market conditions. The company is one of the largest orthodox tea producers in India. APPL's superior quality of tea demands a premium for its produce compared to the industry average. The average realisation of own tea produced by the entity stood at Rs. 252/kg and the overall weighted average realisation stood at around Rs. 234/ kg in FY2026 compared to the North Indian auction average of around Rs. 210/ kg during the same period.

**Focus on improving quality of its plantations and rationalisation of the cost structure** – APPL is an established player in the domestic bulk tea industry. While the company is primarily a CTC tea producer, which accounted for around 67% of the total tea produced in FY2026, the contribution of orthodox tea plays an important role to its profitability, given its higher realisations in the market. The company also focuses on bought-leaf operations, which provide stable but low margins, and favourable productivity of tea estates mitigates the risks associated with the fixed-cost nature of the bulk tea industry to some extent. Higher capacity utilisation through better asset sweating also improves the overall profitability.

### Credit challenges

**Continuing losses keep the net worth negative; coverage indicators also remain adverse**- In FY2026, the entity's performance deteriorated with a decline in production and moderation in realisations, leading to subdued operating performance compared to the previous fiscal. The overall realisation declined from Rs. 243/kg in FY2025 to Rs. 234/kg in FY2026, primarily impacted by price correction from the second quarter onwards and a lower share of higher-margin teas where the crop shortfall was reported. The decline in own production, driven by adverse weather conditions and pest-related issues, further impacted revenues and profitability. In the current fiscal, the increase in wage rates in Assam by Rs 30/man-day is expected to further impact the profitability, while the expectation of increase in production and better realisation is likely to offset the impact to an extent. However, the improvement would be determined by the extent of improvement in the peak season during June-November 2026. Nonetheless, the coverage metrics are expected to be weak, and additional funding support would be required for meeting the debt-servicing, unless operational profitability improves significantly compared to the last fiscal. In addition, the impact of the evolving geopolitical situation in Middle East on the prices of orthodox variety of tea would be a key monitorable.

**Adverse age profile of the bushes; however, a defined and robust replantation policy in place** – The age profile of the tea bushes, with 50% of the bushes are in the 50+ years range continue to be a challenge. Despite, adverse age profile of its tea bushes, the robust infilling and replantation policy support the overall yield. ICRA notes that the company has been following a definite annual infilling and replantation policy. Also, the yields have been supported by increasing acreage under high-yielding clones and other focused efforts taken towards improving yield, like vermicompost application to support soil fertility.

**Risks associated with tea being an agricultural commodity** – Tea production depends on climatic conditions, which subject it to agro-climatic risks. Moreover, tea-estate costs are primarily fixed, with labour-related costs, which are independent of the volume of production, accounting for around 60% of the production cost. The inherent cyclicity of the fixed-cost intensive tea industry results in variable profitability and cash flows of bulk tea producers, such as APPL. In addition, Indian tea is essentially a price taker in the international market and, hence, global supply-demand dynamics would continue to have a bearing on the domestic price levels to some extent.

**Exposed to geographical concentration risks** – The company operates 25 tea estates with around 85% in Assam, and the rest in the Dooars region of West Bengal. This exposes APPL to geographical concentration risk. However, proximity of the tea estates lends operational flexibility to an extent.

### Liquidity position: Adequate

APPL's liquidity is expected to remain adequate owing to expected improvement in cash flow from operations in FY2027 along with additional working capital lines of Rs. 75 crore, which is likely to support the debt-servicing of the entity. Further, its status as a Tata Group company and demonstrated support from TCPL in the past would continue to lend comfort to its liquidity position. APPL's liquidity is further supported by its modest capital expenditure plans of Rs. 15–20 crore in FY2027 and substantial reduction in debt repayment obligations, with Rs. 50 crore already repaid out of total Rs. 81 crore scheduled repayments for the year.

### Rating sensitivities

**Positive factors** - The rating can be upgraded if the company is able to register a significant growth in its revenues and profitability while improving its cash flow position, leading to a sustained improvement in its overall financial profile.

**Negative factors** - Pressure on APPL's ratings may arise if there is deterioration in the credit profile of TCPL, and/or weakening of the operational and financial linkages with it. Further, inability to improve the profitability, leading to weak coverage and liquidity position on a sustained basis, could also result in ratings downgrade.

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Tea</a>
Parent/ Group support	Parent/ Group Company: Tata Consumer Products Limited (TCPL) APPL is an associate of TCPL, which holds a 41.03% equity stake in the company, imparting considerable financial flexibility to the company. TCPL provided demonstrated financial support in the form of preference share capital to APPL to support its liquidity position. There are considerable management and financial linkages between the two companies.
Consolidation/ Standalone	The ratings are based on the standalone financial statements of the entity

## About the company

APPL was incorporated in 2007 to take over the erstwhile North Indian Plantation Operations (NIPO) of TCPL. As per the Scheme of Arrangement approved by the Calcutta High Court with effect from April 1, 2007, all the tea estates and three packaging centres of NIPO were acquired by APPL for Rs. 368.7 crore. APPL is an associate of TCPL, which holds a 41.03% stake in the company. APPL mainly produces CTC variety of tea. (68% in FY2026) The company produced 32.7 Mkg of tea in FY2026, of which around 32% was of orthodox variety. In addition to its own leaf, the company has considerable bought-leaf operations. At present, APPL has 25 tea estates spread across 14,795 hectares in Assam and the Dooars region of West Bengal.

## Key financial indicators

APPL, Standalone	FY2024	FY2025	FY2026*
Operating income	790.7	856.4	799.1
PAT	-109.7	-54.8	-102.1
OPBDITA/OI	-6.1%	2.5%	-1.9%
PAT/OI	-13.9%	-6.4%	-12.8%
Total outside liabilities/Tangible net worth (times)	NM	NM	NM
Total debt/OPBDITA (times)	NM	37.2	NM
Interest coverage (times)	NM	0.3	NM

PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. Crore; \* Provisional numbers

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
	FY2027			FY2026		FY2025		FY2024	
	Type	Amount rated (Rs. crore)	July 03, 2026	Date	Rating	Date	Rating	Date	Rating
1 Fund-based – Term Loan	Long term	98.57	[ICRA]BBB+ (Stable)	Jun 27, 2025	[ICRA]BBB+ (Stable)	Jun 07, 2024	[ICRA]BBB+ (Stable)	Jul 10, 2023	[ICRA]A- (Negative)
2 Fund-based – Working Capital Term Loan	Long term	40.00	[ICRA]BBB+ (Stable)	Jun 27, 2025	[ICRA]BBB+ (Stable)	-	-	-	-
3 Unallocated Limits	Long term	1.43	[ICRA]BBB+ (Stable)	Jun 27, 2025	[ICRA]BBB+ (Stable)	Jun 07, 2024	[ICRA]BBB+ (Stable)	Jul 10, 2023	[ICRA]A- (Negative)
4 Fund-based – Working Capital Facilities	Long Term/ Short Term	585.00	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jun 27, 2025	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jun 07, 2024	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jul 10, 2023	[ICRA]A- (Negative)/ [ICRA]A2+
5 Fund-based – Working Capital Facilities	Short term	-	-	-	-	-	-	-	-
6 Unallocated Limits	Long Term/ Short Term	0.00	-	-	-	Jun 07, 2024	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jul 10, 2023	[ICRA]A- (Negative)/ [ICRA]A2+

**Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026**

ICRA-rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSRs) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSRs) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

## Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term Loan	Simple
Long-term Fund-based – Working Capital Term Loan	Simple
Long-term – Unallocated Limits	Not Applicable
Long-term/ Short-term fund-based – Working Capital	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure II: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Term Loan	FY2026	-	FY2030	90.00	[ICRA]BBB+ (Stable)
-	Term Loan	FY2022	-	FY2027	8.57	[ICRA]BBB+ (Stable)
-	Working Capital Term Loan	FY2025	-	FY2027	40.00	[ICRA]BBB+ (Stable)
-	Unallocated Limits	-	-	-	1.43	[ICRA]BBB+ (Stable)
-	Working Capital Facilities	-	-	-	95.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	30.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	85.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	80.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	45.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	55.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	45.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	50.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
-	Working Capital Facilities	-	-	-	100.00	[ICRA]BBB+ (Stable)/ [ICRA]A2

Source: Amalgamated Plantations Private Limited

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure III: List of entities considered for consolidated analysis**

Not applicable

## ANALYST CONTACTS

**Girishkumar Kadam**  
+91 33 7150 1120  
[girishkumar@icraindia.com](mailto:girishkumar@icraindia.com)

**Ankit Jain**  
+91 124 4545 865  
[ankit.jain@icraindia.com](mailto:ankit.jain@icraindia.com)

**Sumit Jhunjunwala**  
+91 33 6521 6814  
[sumit.jhunjunwala@icraindia.com](mailto:sumit.jhunjunwala@icraindia.com)

**Sujoy Chatterjee**  
+91 33 6521 6815  
[sujoy.chatterjee@icraindia.com](mailto:sujoy.chatterjee@icraindia.com)

## RELATIONSHIP CONTACT

**Mr. L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

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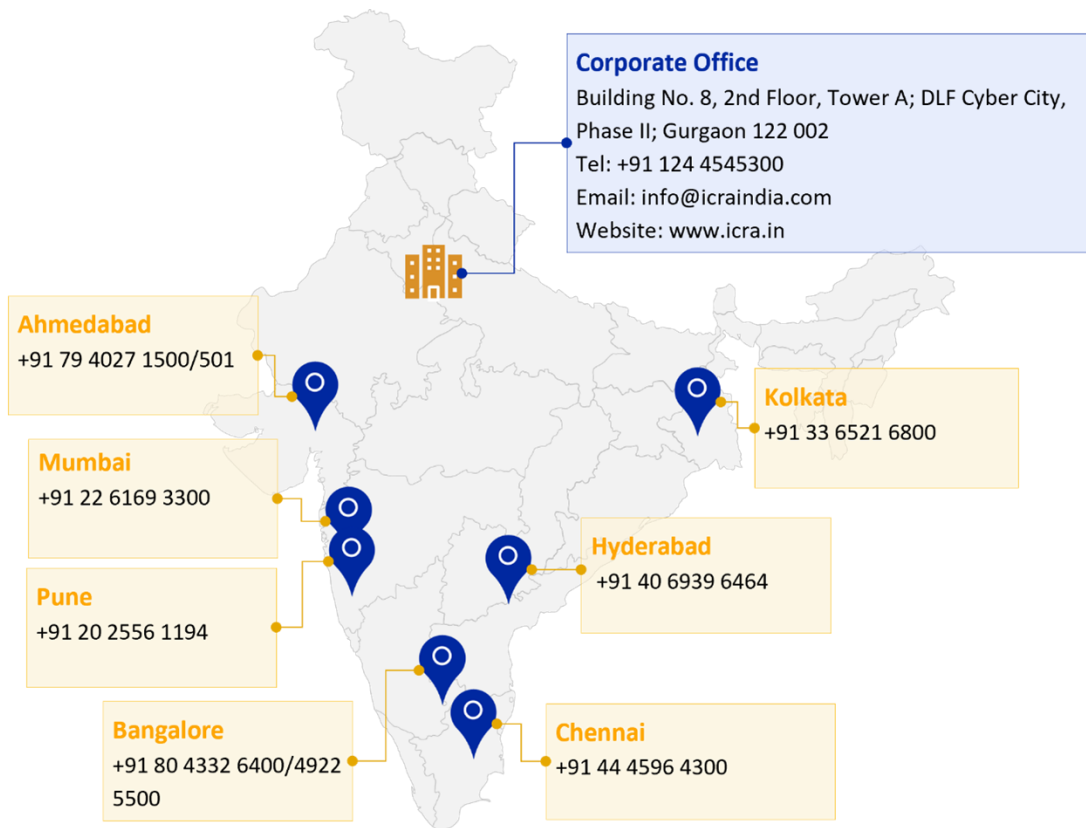
### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



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