

March 14, 2023

Dalmia Laminators Ltd.: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term – Fund based – Cash Credit	85.00	85.00	[ICRA]BBB- (Stable); Withdrawn
Long term – Fund based – Term Loan	96.37	96.37	[ICRA]BBB- (Stable); Withdrawn
Short term - non-fund based – BG	25.00	25.00	[ICRA]A3; Withdrawn
Short term - non-fund based – LC	12.00	12.00	[ICRA]A3; Withdrawn
Long term/ Short term – Unallocated Limits	3.63	3.63	[ICRA]BBB- (Stable)/[ICRA]A3; Withdrawn
Total	222.00	222.00	

*Instrument details are provided in Annexure-I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of **Dalmia Laminators Ltd. (DLL)**, at the request of the company and based on the No Objection Certificate received from the banker, and in accordance with ICRA's policy on withdrawal. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key Rating Drivers, Liquidity Position, Rating Sensitivities and Key Financial Indicator have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click Here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology
Parent/Group support	DLL is a part of the MLD Group
Consolidation/Standalone	Consolidated View ICRA has consolidated the performance of DLL along with its Group companies, Dalmia Tea Plantations and Industries Ltd. (DTPIL) and Bateli Tea Company Ltd. (BTCL), given the common management of the three companies

About the company

Established in 1972, Dalmia Laminators Ltd. is a part of the M L Dalmia Group, which is involved in diverse businesses. It is one of the leading manufacturers of plastic woven sacks (PWS) used for bulk packaging of cement, fertilisers, foodgrains and sugar, chemicals and other commodities. It has manufacturing operations in Tamil Nadu and Andhra Pradesh. Its Group companies, DTPIL and BTCL, are involved in plantation and processing of tea in West Bengal and Assam, respectively. The combined production of the two companies stood at ~12 million kg of made tea in FY2022, entirely of the CTC variety. With purchased green leaves accounting for ~85% of the production, the operating profitability of tea operations remained steady over the last few years.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument		Current rating (FY2023)				Chronology of rating history for the past 3 years				
		Type	Amount rated (Rs. crore)	Amount outstanding as of Mar 31, 2022 (Rs. crore)	Date & rating in FY2023		Date & rating in FY2022	Date & rating in FY2021	Date & rating in FY2020	
					Mar 14, 2023	Aug 25, 2022	May 31, 2021	-	Mar 26, 2020	Apr 09, 2019
1	Cash Credit	Long-term	85.00	-	[ICRA]BBB-(Stable); Withdrawn	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
2	Term Loan	Long-term	96.37	90.98	[ICRA]BBB-(Stable); Withdrawn	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)	-	[ICRA]BBB-(Stable)	[ICRA]BBB-(Stable)
3	Non-fund based – BG	Short-term	25.00	-	[ICRA]A3; Withdrawn	[ICRA]A3	[ICRA]A3	-	[ICRA]A3	[ICRA]A3
4	Non-fund based – LC	Short-term	12.00	-	[ICRA]A3; Withdrawn	[ICRA]A3	[ICRA]A3	-	[ICRA]A3	[ICRA]A3
5	Unallocated Limits	Long-term/ Short-term	3.63	-	[ICRA]BBB-(Stable)/ [ICRA]A3; Withdrawn	[ICRA]BBB-(Stable)/ [ICRA]A3	[ICRA]BBB-(Stable)/ [ICRA]A3	-	-	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Long term – Fund based – Cash Credit	Simple
Long term – Fund based – Term Loan	Simple
Short term - non-fund based – BG	Very Simple
Short term - non-fund based – LC	Very Simple
Long term/ Short term – Unallocated Limits	NA

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, is available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long term – Fund based – Cash Credit	NA	NA	NA	85.00	[ICRA]BBB- (Stable); Withdrawn
NA	Long term – Fund based – Term Loan	FY2020	NA	FY2028	96.37	[ICRA]BBB- (Stable); Withdrawn
NA	Short term - non-fund based – BG	NA	NA	NA	25.00	[ICRA]A3; Withdrawn
NA	Short term - non-fund based – LC	NA	NA	NA	12.00	[ICRA]A3; Withdrawn
NA	Long term/ Short term – Unallocated Limits	NA	NA	NA	3.63	[ICRA]BBB- (Stable)/[ICRA]A3; Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Dalmia Tea Plantations and Industries Ltd.	-	Full Consolidation
Bateli Tea Company Ltd.	-	Full Consolidation

Note: ICRA has taken a consolidated view of DLL, DTPIL and BTCL while assigning the ratings.

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