

January 24, 2025

## Dalmia Bharat Sugar and Industries Limited: Rating withdrawn for commercial paper

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Fund-based – Term loan	285.17	285.17	[ICRA]AA (Stable); Outstanding
Long-term – Fund-based – Cash credit	872.50	872.50	[ICRA]AA (Stable); Outstanding
<b>Total</b>	<b>1157.67</b>	<b>1157.67</b>	
<b>Commercial Paper</b>	<b>500.00</b>	<b>500.00</b>	[ICRA]A1+; Withdrawn

\*Instrument details are provided in Annexure-I

### Rationale

ICRA has withdrawn the rating outstanding on the commercial paper of Dalmia Bharat Sugar and Industries Limited at the request of the company. This is in accordance with ICRA's policy on withdrawal of credit ratings.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rated instrument is being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

### Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Sugar</a> <a href="#">Policy on withdrawal of Credit Ratings</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	ICRA has considered the consolidated financial statements of DBSIL

### About the company

Dalmia Bharat Sugar and Industries Limited (erstwhile Dalmia Cement (Bharat) Limited) was established in 1939 at Dalmiapuram in Tamil Nadu. Post demerger, DBSIL operates as an integrated sugar player with a cane crushing capacity of 44,700 tonnes crushed per day (TCD), distillery capacity of 950 kilo litres per day (KPLD) and co-generation capacity of 138 mega watt (MW) (across UP and Maharashtra). The company has the benefit of having capacities in two major sugar producing states, i.e. U.P. and Maharashtra.

### Key financial indicators (audited)

HGIEL Standalone	FY2023	FY2024	H1 FY2025
Operating income (Rs. crore)	3,268.2	2,915.7	1,886.7
PAT (Rs. crore)	248.3	272.5	120.9
OPBDIT/OI (%)	13.9%	14.7%	9.4%
PAT/OI (%)	7.6%	9.3%	6.4%
Total outside liabilities/Tangible net worth (times)	0.4	0.8	0.3
Total debt/OPBDIT (times)	1.0	3.3	1.0
Interest coverage (times)	12.0	8.5	4.7

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

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

**Any other information: None**

### Rating history for past three years

Instrument	Type	Amount Rated (Rs. crore)	Current (FY2025)				Chronology of rating history for the past 3 years					
			FY2025				FY2024		FY2023		FY2022	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loan	Long-term	285.17	Jan 24, 2025	[ICRA]AA (Stable)	Oct 30, 2024	[ICRA]AA (Stable)	Oct 09, 2023	[ICRA]AA (Stable)	Feb 28, 2023	[ICRA]AA (Stable)	Oct 01, 2021	[ICRA]AA (Stable)
											Feb 24, 2022	[ICRA]AA (Stable)
Cash Credit	Long-term	872.50	Jan 24, 2025	[ICRA]AA (Stable)	Oct 30, 2024	[ICRA]AA (Stable)	Oct 09, 2023	[ICRA]AA (Stable)	Feb 28, 2023	[ICRA]AA (Stable)	Oct 01, 2021	[ICRA]AA (Stable)
											Feb 24, 2022	[ICRA]AA (Stable)
Non-fund based – Others	Short-term	-	-	-	Oct 30, 2024	[ICRA]A1+; reaffirmed and withdrawn	Oct 09, 2023	[ICRA]A1+	Feb 28, 2023	[ICRA]A1+	Oct 01, 2021	[ICRA]A1+
											Feb 24, 2022	[ICRA]A1+
Unallocated Limits	Long-term/short-term	-	-	-	-	-	Oct 09, 2023	-	Feb 28, 2023	[ICRA]AA (Stable)/[ICRA]A1+	Oct 01, 2021	[ICRA]AA (Stable)/[ICRA]A1+
											Feb 24, 2022	[ICRA]AA (Stable)/[ICRA]A1+

<b>Commercial paper</b>	Short-term	500.00	Jan 24, 2025	[ICRA]A1+; withdrawn	Oct 30, 2024	[ICRA]A1+	Oct 09, 2023	[ICRA]A1+	Feb 28, 2023	[ICRA]A1+	Oct 01, 2021	[ICRA]A1+
											Feb 24, 2022	[ICRA]A1+

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Term Loan	Simple
Long-term – Fund-based – Cash Credit	Simple
Commercial Paper	Very 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 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 – Term Loan	FY2018-FY2023	5.00%-7.20%	FY2025-FY2033	285.17	[ICRA]AA (Stable)
NA	Long-term – Fund-based – Cash Credit	NA	NA	NA	872.50	[ICRA]AA (Stable)
Yet to placed	Commercial Paper	NA	NA	NA	500.00	[ICRA]A1+; Withdrawn

Source: Company data

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

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

Company Name	Ownership	Consolidation Approach
Dalmia Bharat Sugar and Industries Limited	100.00% (rated entity)	Full Consolidation
Baghaulti Sugar and Distillery Limited	100.00%	Full Consolidation

Source: Company

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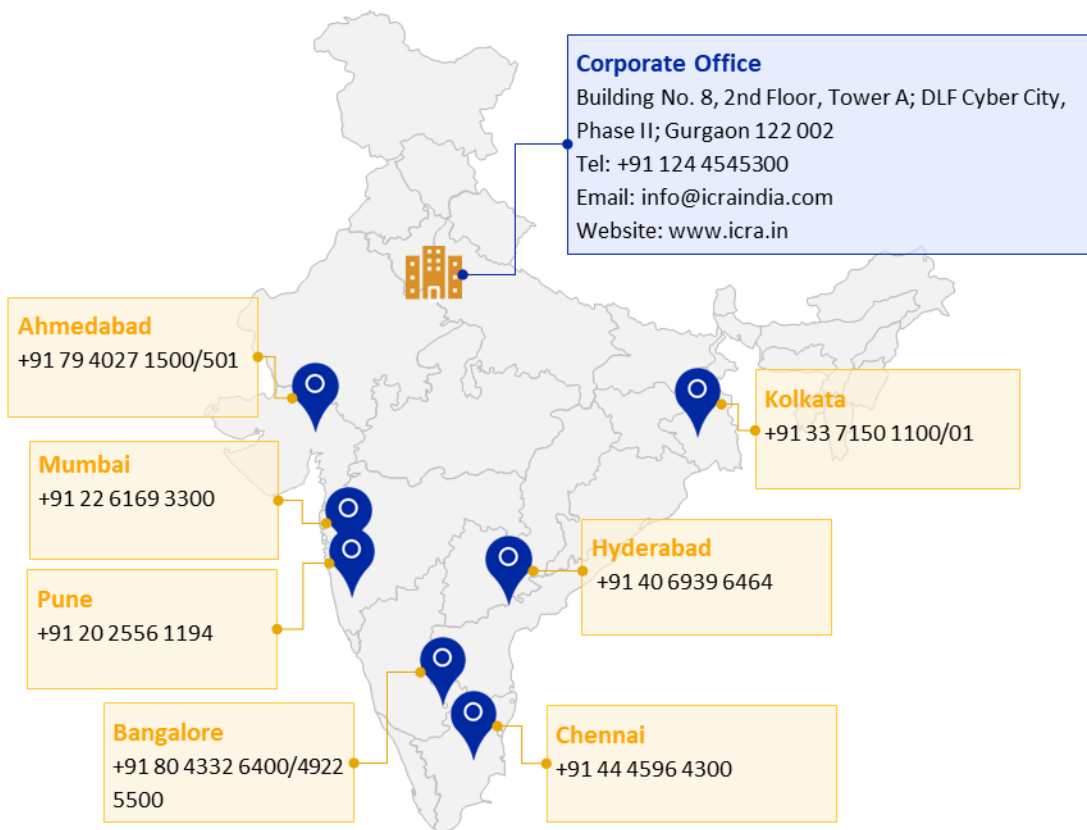
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