

Delta Paper Mills Limited

July 11, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	65.00	CARE B; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable;
Short Term Bank Facilities	17.00	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated April 26, 2023, placed the rating(s) of Delta Paper Mills Limited (DPML) under the 'issuer non-cooperating' category as DPML had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DPML continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated March 11, 2024, March 21, 2024, March 31, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings have been revised on account of non-availability of requisite information. The revision also factored continued losses in FY23 as against FY22.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers:

Please refer to PR dated [April 26, 2023](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Delta Paper Mills Limited (DPML) was established in the year 1975 and situated at Vendra Village, West Godavari Dist., Andhra Pradesh. In the year 1998, Mr. Gokaraju Ganga Raju has taken over the management of the company and has been running it successfully since then. The company manufactures writing and printing papers of different cultural varieties such as 3 CARE Ratings Limited Press Release Creamwove, White Printing, Azurewove, Azurelaid, Duplicating etc. The installed capacity of the company stood at 51,100 MT/annum. DPML caters to Govt. Text Book Corporations of Andhra Pradesh, Telangana, Maharashtra, Odisha, Tamil Nadu, Kerala, Madhya Pradesh, Assam etc.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	74.80	0.00
PBILDT	-44.02	-5.05
PAT	-9.82	-1.24
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

A: Audited; NM: Not Meaningful; Note: 'the above results are latest financial results available'

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Status of non-cooperation with previous CRA: CRISIL has continued the ratings assigned to the bank facilities of DPML to the 'issuer not-cooperating' category vide press release dated September 28, 2023 on account of its inability to carryout review in the absence of requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan (Proposed)		-	-	-	65.00	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	17.00	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument / Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)Withdrawn (02-Mar-22) 2)CARE BB; Negative (01-Apr-21)
2	Non-fund-based - ST-BG/LC	ST	17.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (26-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (02-Mar-22) 2)CARE A4 (01-Apr-21)
3	Fund-based - LT-Bank Overdraft	LT	-	-	-	-	-	1)Withdrawn (02-Mar-22) 2)CARE BB; Negative (01-Apr-21)
4	Fund-based - LT-Term Loan	LT	65.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (26-Apr-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (02-Mar-22) 2)CARE BB; Negative (01-Apr-21)

*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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Disclaimer:

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