

Dhunseri Ventures Limited

October 01, 2026

Rating Action

Total Bank Loan Facilities Rated	Rs. 30.00 Crore	Regulator[^]
Short Term Rating	IVR A1+ (Rating Reaffirmed)	RBI
[^] Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.		

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

Rationale

The reaffirmation of the rating assigned to the short-term bank facility of Dhunseri Ventures Limited (DVL) continues to derive comfort from the company's strong and resourceful promoters, sound capital structure supported by a strong net worth base and healthy debt protection metrics in FY26 [FY refers to the period from April 1 to March 31]. The rating also factors in the stable business performance of Dhunseri Poly Films Private Limited (DPPL), DVL's wholly owned subsidiary. Further, the rating continues to draw comfort from DVL's healthy liquidity position, supported by a sizeable pool of liquid investments, albeit exposing the company to market volatility. These rating strengths are, however, constrained by volatility in the company's operations, resulting in erratic profitability, significant exposure to group companies and the inherent cyclical nature associated with the petrochemical industry. The rating also factors in the project implementation and stabilisation risks associated with the ongoing large-sized biaxially oriented polypropylene (BOPP) project being undertaken by DPPL at Kathua, Jammu.

Outlook: Not Applicable

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Standalone
Parent/ Group Support	Not Applicable

Key Rating Drivers with Detailed Description**Strengths****Strong liquidity position however, exposed to market volatility**

The liquidity of the company continued to remain strong, given the sizeable portfolio of its free cash and liquid investments. As on June 30, 2026, DVL had free cash and liquid investment aggregating to ~Rs.550 crore (current non pledged liquid investments and cash and bank balance). However, since a sizable portion of its liquid assets are in stock market and mutual fund, it is exposed to stock market related volatility.

Sound capital structure underpinned by strong net worth base with healthy debt protection parameters

The capital structure remained comfortable with the adjusted overall gearing ratio of 0.05x backed by its robust adjusted tangible net worth base of Rs.636.44 crore as on March 31, 2026. Further, total indebtedness of the company as reflected by TOL/ATNW remained comfortable at 0.13x as on March 31, 2026. However, DVL has extended corporate guarantee for bank loans availed by its wholly owned subsidiary- Dhunseri Polyfilms Private Limited. Overall gearing (after adjustment of corporate guarantee) stood moderate at 2.15x as on March 31, 2026 against 1.49x as on March 31, FY25. The debt protection parameters of the company though moderated, continues to remain healthy as reflected by its comfortable interest coverage ratio of 9.96x in FY26 and Total debt to EBITDA stood at 1.08x as on March 31, 2026. (21.12x and 0.39x respectively in FY25). Infomerics expects that the company will continue to maintain a strong financial risk profile marked by healthy capital structure with satisfactory debt service coverage indicators in the medium term.

Assured royalty income

DVL is entitled to receive royalty income from IVL Dhunseri Petrochem Industries Pvt Ltd (IVLDPL) and IVL Dhunseri Polyester Co. S.A.E (IVLDPC) for use of “ASPET” brand owned by DVL. The royalty income is to be based on the sale value of IVLDPL and IVLDPC (excluding the inter-group business). During FY26, DVL earned royalty income of Rs.48.14 crore. Royalty income for Q1 ending 30th June 2026 stood ~Rs.14.31 crore. Going forward, the royalty income is expected to remain a steady and recurring source of cash flow for DVL, supported by the continued use of the ASPET brand by the group entities and their underlying sales performance.

Strong promoters

Dhunseri group is headed by Mr. C.K. Dhanuka, who is the Chairman of DVL. He is an industrialist of repute with about four decades of experience in the field of tea and about a decade old experience in Petrochemicals. Currently, Mrs. Aruna Dhanuka (Wife of Mr. C. K. Dhanuka) is the Managing director of DVL. The promoters are ably supported by a strong management team which has rich experience in both the industries.

Weaknesses**Volatility in operations leading to dip in profitability**

DVL's business profile has undergone structural changes over the years on account of multiple mergers and demergers, resulting in volatility in its revenue and profitability profile. In FY26, the operating income moderated marginally to Rs.385.36 crore in FY26 from Rs.399.41 crore in FY25, primarily due to lower trading revenue and investment-related gains. Revenue from trading activities declined to Rs.242.77 crore in FY26 from Rs.269.64 crore in FY25. Further, in FY26, the company recognised impairment loss of Rs. 26.26 crore on its investment in Twelve Cupcakes Pte. Limited, a subsidiary, following the filing of Creditors' Voluntary Winding-up proceedings on October 29, 2025, under the applicable laws and regulations of Singapore. Consequently, PAT declined sharply to Rs.5.50 crore in FY26 from Rs.60.82 crore in FY25. However, the impact was partly supported by higher dividend income, which increased to Rs.58.61 crore in FY26 from Rs.45.69 crore in FY25. Going forward, the company's financial performance is expected to remain dependent on the performance of its underlying investments, trading activities and dividend income, with earnings remaining susceptible to volatility arising from its investment portfolio and any further restructuring of its business operations. In Q1FY27 DVL has reported operating revenue of ~Rs.208 crore as against ~Rs.182 crore of Q1FY26.

High exposure to group companies

DVL has significant exposure in the form of investment and loans & advances to group companies. Out of total investment of Rs.1145.31 crore in its group companies as on March 31, 2026, DVL has invested ~Rs.355.88 crore in associate companies, namely IVL Dhunseri Petrochem Industries Private Limited and Egypt based IVL Dhunseri Polyester Co. S.A.E (IVLDPC) which are engaged in manufacturing of PET Resin. DVL has incorporated a wholly owned subsidiary Dhunseri Poly Films Private Limited (DPFPL) in November 2020 for manufacturing of Polyester Films i.e. BOPET and invested Rs.733 crore as on March 31,2026. Further, DVL has extended corporate guarantee to the bank facilities of DPFPL of Rs. 1334.97 crore as on March 31,2026. Any deterioration in the

business performance of group companies may impact the credit profile of DVL and will remain a key monitorable.

Exposure to project execution and stabilisation risk

The company remains exposed to project execution and stabilisation risk as DVL is undertaking large capex in its subsidiary, DPFPL, towards setting up a biaxially oriented polypropylene film (BOPP) manufacturing unit with two separate lines with installed capacity of 60920 TPA and 67480 TPA in Kathua, Jammu. Total estimated project cost is Rs.1240.67 crore. Total cost of the project to be financed by promoters' contribution and external debt in the ratio 3:7. The project has already at advanced stage and the expected COD is November 2026 for line 1 and June 2027 for line 2. As on date Rs. 1,029.60 crore (83% of total project cost) is already incurred for the project. Going forward, timely completion and smooth stabilisation of both BOPP lines within the envisaged timelines would remain critical for realising the project's expected revenue and profitability potential. Any delays in commissioning or slower-than-expected ramp-up could exert pressure on DVL's financial profile.

Cyclical nature of the petrochemical industry

The global petrochemical industry is historically cyclical and sensitive to changes in supply and demand that are, in turn, affected by political and economic conditions. The international petrochemical markets have witnessed spurt in prices and profit margins in alternating periods driven by limited supply, followed by expansion of production capacity, led to oversupply and reduced profitability. The profitability in the petrochemical industry is affected by the worldwide level of demand along with vigorous price competition. Further, there is a high degree of correlation between the economic growth and the growth in polymer consumption.

Liquidity – Strong

DVL's liquidity profile is strong backed by its robust free cash and bank balance aggregating to ~Rs.59.66 crore as on June 30 ,2026. Moreover, its strong accruals are also expected to support its liquidity. In addition to cash and bank balance, DVL's non-pledged liquid market investment stood at ~Rs.490 crore as on June 30 ,2026.

Rating Sensitivities**Upward Factors**

- Not Applicable

Downward Factors

- Decline in operating income and/or profitability on a sustained basis impacting the debt protection metrics

- Further increase in exposure to group companies and/or significant impairment/diminution/reduction in investments impacting liquidity and/or profitability
- Significant increase in pledging of investment to raise debt

About the Company:

Dhunseri Ventures Ltd. (DVL) (erstwhile Dhunseri Petrochem Limited) was initially incorporated as Dhunseri Tea Company Ltd in May, 1916. The Dhanuka group, based out of Kolkata, took over the management of the company in 1955. Currently, DVL is operating as an investment company. Further, it is holding 50% stake in IVL Dhunseri Petrochem Industries Pvt Ltd (IVLDPL) which is a joint venture between the Dhanuka group through DVL and Thailand based Lohia group through Indorama Ventures Public Limited Company. Currently, the revenue profile of DVL comprise trading revenue, rental income, profit on sale of investment of shares & securities, interest/dividend income (revenue from treasury operations) and royalty income from IVLDPL for use of its brand "ASPET". DVL had set-up a PET resin manufacturing facility in Egypt (through its associate IVL Dhunseri Polyester Company S.A.E. (IVLDPC)) and is having 50% stake in IVLDPC with IVL having another 50% stake.

Key Financial Indicators (Standalone)

For the year ended/ As on*	31-03-2025	31-03-2026	Q1FY27
	Audited	Audited	Audited
Total Operating Income	399.41	385.24	208.87
EBITDA	81.75	29.29	140.66
PAT	60.82	5.50	109.03
Total Debt	32.00	31.52	-
Tangible Net Worth (TNW)	1890.61	1852.40	-
EBITDA Margin (%)	20.47	7.60	67.34
PAT Margin (%)	15.21	1.42	52.20
Overall Gearing (times)	0.04	0.05	-
Interest Coverage (times)	21.12	9.96	-

*Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company

Applicable Criteria

[Rating Methodology for Trading Companies](#)

[Rating Methodology for Service Sector Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Policy on Default Recognition](#)

[Criteria of assigning Rating Outlook](#)

[Complexity Level of Rated Instruments/Facilities](#)

Status of non-cooperation with previous CRA: NA

Any other information: NA

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)			Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24
					July 11, 2025	Apr 24, 2024	-
1.	Fund based facilities	ST	30.00	IVR A1+	IVR A1+	IVR A1+	-

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator [^]	<u>Complexity Indicator</u>
Demand Loan	-	-	-	-	30.00	IVR A1+	NA	RBI	Simple

[^]Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/Len_Dhunseri_Vent01_Oct26_47b71d23a4.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities: NA

Annexure 4: List of companies considered for Consolidated/Combined analysis: NA

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (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)* \$	RBI
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 and other similar borrowings	RBI
10	Certificates of Deposit	RBI

Sr. No.	Instrument / activity Name	Regulator of the instruments
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	+
22	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
23	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/Preference share (all securities))	MCA
24	Unlisted PTCs / Securitization Notes (originated by entities not regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

Footnotes:

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

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

Note: For activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Analytical Contact

Name: Avik Podder
Tel: (033) 46022266
Email: apodder@infomerics.com

About Infomerics

Infomerics Valuation and Rating Ltd. ("Infomerics") [Formerly known as Infomerics Valuation and Rating Private Limited], a SEBI-registered and RBI-accredited credit rating agency, is dedicated to delivering independent, transparent, and research-driven ratings. Licensed for credit rating operations since 2015, Infomerics has empowered investors with reliable insights to make informed credit decisions. Driven by robust frameworks and methodologies, enriched by sectoral depth, and defined by analytical precision, Infomerics evaluates a wide spectrum of borrowers including MSMEs, large corporates, banks, NBFCs, state governments, municipal bodies, infrastructure projects, REITs, and InvITs— covering the entire range of debt instruments. With a strong pan-India presence anchored by its Head Office in Delhi and Corporate Office in Mumbai, alongside branches in major cities, Infomerics has rapidly expanded its footprint. Its joint venture in Nepal further underscores its growing influence across South Asia. Over the past decade, Infomerics has emerged as a rapidly expanding force in the credit rating space, achieving broad market recognition and building enduring trust among investors, institutions, and issuers.

For more information and definitions of ratings, please visit www.infomerics.com.

Disclaimer: Infomerics ratings are independent opinions on the credit risks of the issue / issuer as of the date they are assigned and do not constitute statements of fact or recommendations to buy, hold or sell securities. The rating reflects Infomerics' opinion on the relative credit risk of the rated instrument or entity at the time it is assigned. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are based on information and data provided by the issuer or obtained from sources believed by Infomerics to be accurate and reliable. Infomerics does not conduct any audit, due diligence or independent verification of the rated issuer or of the information provided to it unless specifically required under applicable regulatory guidelines. The credit ratings are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities. While reasonable care has been taken to ensure the accuracy of the information herein, it is provided on an 'as is' basis and to the maximum extent permitted by law without warranty of any kind. Infomerics makes no representation or warranty, express or implied, regarding the accuracy, adequacy, timeliness, or completeness of any information contained in this report. All entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. Infomerics, or any of its group companies, may have provided other permissible services other than credit ratings to the rated issuer in the ordinary course of business. To the maximum extent permitted by applicable law, in no event shall Infomerics, its affiliates, or their respective directors, officers, shareholders, employees, or agents be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income, lost profits, or opportunity costs) arising from any use of this report. Any person accessing or using this report shall do so at their own risk. Infomerics shall have no obligation to update, revise or supplement this report after its publication except as required under applicable regulatory guidelines. The ratings and reports issued by Infomerics are intended for use in accordance with applicable laws and regulatory requirements governing credit rating agencies in India.