



Durairaj Mills Limited (DML)

Rating Rationale

March 16, 2015

Facilities	Amount (Rs. Crore)	Rating
Term Loan	41.44	SMERA D (Assigned)
OCC	15.00	SMERA D (Assigned)
Letter of Credit	5.00	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D**' (read as **SMERA D**) to the Rs.61.44 crore bank facilities of Durairaj Mills Limited (DML). The rating reflects delays in debt servicing by the company. The rating notes that the company's term loan has been restructured.

About the company

DML, incorporated in 1983, is a Coimbatore-based company promoted by Mr. N. Duraiswamy Naidu. DML is engaged in manufacturing of cotton hosiery and cotton warp yarn. The overall operations of the company managed by Mr. P. D. Damodaran, Mr. D. Kangaraj, Mr. D. Jayachandran and Mr. D. Ramaswamy.

For FY2013-14, DML reported net loss of Rs.2.35 crore on operating income of Rs.66.03 crore. The company's net worth stood at Rs.5.94 crore as on March 31, 2014, as compared with Rs.6.87 crore a year earlier.

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