

Press Release

Digamber Capfin Limited

June 12, 2020

Rating Update



Total Bank Facilities Rated	Rs. 275.00 Cr. #
Bank Facilities Rated	Rs. 231.84 Cr
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Issuer not co-operating*; Withdrawn)
Bank Facilities Rated	Rs. 43.16 Cr
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Issuer not co-operating*)

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB** (read as **ACUITE triple B**) on the Rs. 231.84 crore bank facilities of Digamber Capfin Limited (DCL). The rating is revised to an indicative rating on account of limited information and is based on best available information. In pursuant to client's request and submission of requisite documents in this regard as per Acuite's policy, this rating is subsequently withdrawn.

Further, Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB** (read as **ACUITE triple B**) on the Rs. 43.16 crore bank facilities of Digamber Capfin Limited (DCL). The client has sought withdrawal and has not been able to complete the requisite formalities hence, this rating is now an indicative rating and is based on best available information.

Digamber Capfin Limited (DCL), incorporated in 1995, is a Rajasthan based Non-Banking Financial Company Microfinance Institution (NBFC - MFI), offering credit and other financial products to the rural and semi-urban poor. It lends under joint liability group (JLG) model (10-20 members) and also provides loans to individual people. The JLG model focuses on lending to women borrowers for income generation purposes, with the ticket size ranging from Rs. 15,000 to 50,000 and tenure ranging from 12-48 months. Under individual lending, the company finances traders or shopkeepers with average ticket size of Rs. 30,000-1,00,000 and tenure of 30-48 months.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Non-Banking Financing Entities - <https://www.acuite.in/view-rating-criteria-44.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

Particulars	Unit	FY19 (Actual)	FY18 (Actual)
Total Assets	Rs. Cr.	389.96	305.18
Total Income*	Rs. Cr.	41.70	26.68
PAT	Rs. Cr.	15.22	8.32
Networth	Rs. Cr.	48.49	30.59
Return on Average Assets (RoAA)	(%)	4.38	3.56
Return on Net Worth (RoNW)	(%)	38.49	34.63
Total Debt/Tangible Net Worth (Gearing)	Times	6.78	8.82
Gross NPA's	(%)	NA	1.4
Net NPA's	(%)	NA	0.1

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuite is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
28-03-2019	Cash Credit	Long Term	60.00	ACUITE BBB/Stable (Reaffirmed)
	Cash Credit	Long Term	25.00	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	14.79	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	7.50	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	5.14	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	24.09	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	18.02	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB/Stable (Withdrawn)
	Term Loan	Long Term	11.25	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	10.00	ACUITE BBB/Stable (Reaffirmed)
	Term Loan	Long Term	8.37	ACUITE BBB/Stable (Reaffirmed)

	Term Loan	Long Term	6.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	20.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	50.00	ACUITE BBB/Stable (Assigned)
	Proposed Bank facilities	Long Term	4.84	ACUITE BBB/Stable (Reaffirmed)
14-11-2018	Cash Credit	Long Term	60.00	ACUITE BBB/Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	16.87	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	6.29	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	26.33	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	20.63	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	15.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	10.00	ACUITE BBB/Stable (Assigned)
	Term Loan	Long Term	9.35	ACUITE BBB/Stable (Assigned)
	Proposed Bank facilities	Long Term	15.53	ACUITE BBB/Stable (Assigned)
27-06-2016	Cash Credit	Long Term	10.00	ACUITE BB+/Stable (Suspended)
22-05-2015	Cash Credit	Long Term	10.00	ACUITE BB+/Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Cash Credit	Not Applicable	Not Applicable	Not Applicable	60.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	14.79	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)

Term Loan	Not Applicable	Not Applicable	Not Applicable	7.50	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	5.14	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	24.09	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	18.02	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	11.25	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.37	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	6.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	20.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Term Loan	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)
Proposed Bank facilities	Not Applicable	Not Applicable	Not Applicable	14.84	ACUITE BB+ (Downgraded from ACUITE BBB/Stable; Withdrawn; Issuer not co-operating*)

*The issuer did not co-operate; based on best available information.

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About Acuite Ratings & Research:

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