

Press Release

Digamber Capfin Limited

August 24, 2021



Rating Update

Total Bank Facilities Rated*	Rs.43.16 Cr.#
Long Term Rating	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

#Refer Annexure for details

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

Acuité has downgraded the long term rating to '**ACUITE BB** (**read as ACUITE double B**) from '**ACUITE BB+** (**read as ACUITE double B plus**) on the Rs.43.16 Cr bank facilities of Digamber Capfin Limited (DCL). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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. DCL is promoted by two professionally qualified first generation entrepreneurs, Mr. Rajiv Jain and Mr. Amit Jain, who have experience of more than 2 decades in the financial services industry.

Non-cooperation by the issuer/borrower:

Acuité 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 the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators

"No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

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

None

Any other information

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

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
12-Jun-2020	Cash Credit	Long Term	60.00	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Cash Credit	Long Term	25.00	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	14.79	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	7.50	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	5.14	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Term Loan	Long Term	24.09	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	18.02	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Term Loan	Long Term	11.25	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	8.37	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	6.00	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	20.00	ACUITE BB+ (Downgraded from ACUITE BBB) Issuer not co-operating*
	Term Loan	Long Term	10.00	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
	Term Loan	Long Term	50.00	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*

	Proposed Bank Facility	Long Term	14.84	ACUITE BB+ (Downgraded from ACUITE BBB & Withdrawn) Issuer not co-operating*
28-Mar-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 (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)
14-Nov-2018	Proposed Term Loan	Long Term	4.84	ACUITE BBB/ Stable (Reaffirmed)
	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 Facility	Long Term	15.53	ACUITE BBB/ Stable (Assigned)

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

#Annexure – Details of instruments rated

Lender Name	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Bank of Baroda	Term Loan	Not Available	Not Available	Not Available	5.14	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
Union Bank of India	Term Loan	Not Available	Not Available	Not Available	18.02	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*
SIDBI	Term Loan	Not Available	Not Available	Not Available	20.00	ACUITE BB (Downgraded from ACUITE BB+) Issuer not co-operating*

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 8,826 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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