

Press Release

Darshan Cotton Industries (DCI)

December 28, 2017



Rating Update

Total Bank Facilities Rated*	Rs. 9.80 Cr. #
Long Term Rating	SMERA D Issuer not co-operating*

Refer Annexure for details

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

SMERA has reviewed long-term rating of 'SMERA D' (read as SMERA D) on the above bank facilities of Darshan Cotton Industries (DCI). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower

SMERA 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 required documents before due date.

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

Applicable Criteria

- Default Recognition - <https://www.smera.in/criteria-default.htm>
- Manufacturing Entities: <https://www.smera.in/criteria-manufacturing.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). SMERA endeavoured to gather information about the entity/industry from the public domain. Therefore, SMERA cautions lenders and investors regarding the use of such information on which the indicative credit rating is based.

About the rated entity

Darshan Cotton Industries (DCI) was established in 2011 by Mr. Digamber Rao, is Bhainsa based company engaged in ginning cotton. DCI has 36 gins with the production capacity of 500 quintals of cotton lint per day.

For FY2013-14, DCI reported PAT of Rs. 0.01 crore on operating income of Rs. 38.67 crore as compared with PAT of Rs. 0.01 crore on operating income of Rs. 41.65 crore for FY2012-13. The company's networth stands at Rs. 1.75 crore as on March 31, 2014 as compared with Rs. 1.42 crore a year earlier.

Rating history (last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
August 27, 2016	Cash Credit	Long Term	8.00	SMERA D (Reaffirmed)
	Term Loan	Long Term	1.80	SMERA D (Reaffirmed)
July 06, 2015	Cash Credit	Long Term	8.00	SMERA D (Reaffirmed)
	Term Loan	Long Term	1.80	SMERA D (Reaffirmed)

#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	8.00	SMERA D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.80	SMERA D Issuer not co-operating*

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

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ABOUT SMERA

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