

Press Release

Dilip Textile Private Limited (DTPL)

April 4, 2018

Rating Update



Total Bank Facilities Rated*	Rs.8.87 Cr
Long Term Rating (Indicative)	SMERA BB Issuer not co-operating*
Short Term Rating (Indicative)	SMERA A4+ Issuer not co-operating*

#Refer Annexure for details

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

SMERA has reviewed the long-term rating of '**SMERA BB**' (read as **SMERA double B**) and short term rating of '**SMERA A4+**' (read as **SMERA A four plus**) on the Rs.8.87 crore bank facilities of Dilip Textiles Private Limited (DTPL). 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 such information 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 Group

Established in 1978 as a partnership concern, Dilip Textiles Private Limited (DTPL) was incorporated in 1988. The Hyderabad-based company promoted by Mr. Govardhan Das Agarwal and family is engaged in the dyeing and printing of fabrics. The manufacturing facilities are located at Mahabubnagar and Hyderabad. The production capacity stands at 2,200,000 meters/month with utilisation level of ~95 per cent.

For FY2015-16, the company registered profit after tax (PAT) of Rs.0.62 cr on operating income of Rs.59.72 cr as against net profit of Rs.0.55 cr on operating income of Rs.56.35 cr in the previous year. The net worth stood at Rs.7.49 cr as on 31 March 2016 as compared to Rs.6.87 cr as on 31 March 2015.

Rating History for the last three years:

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
3-March-2017	Cash Credit	Long Term	6.00	SMERA BB/ Stable (Reaffirmed)
	Term Loan	Long Term	2.58	SMERA BB/ Stable (Reaffirmed)
	Bank Guarantee	Short Term	0.16	SMERA A4+ (Reaffirmed)
	Proposed Fund Based Facilities	Short Term	0.13	SMERA BB/ Stable (Assigned)
11-Jan-2016	Cash Credit	Long Term	5.00	SMERA BB/ Stable (Assigned)
	Term Loan	Short Term	3.71	SMERA BB/Stable (Assigned)
	Bank Guarantee	Short Term	0.16	SMERA A4+ (Assigned)

Annexure – Details of instruments rated:

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Cash Credit	NA	NA	NA	6.00	SMERA BB Issuer not cooperating*
Term Loan	NA	NA	NA	2.58	SMERA BB Issuer not cooperating*
Bank Guarantee	NA	NA	NA	0.16	SMERA A4+ Issuer not cooperating*

Proposed Fund Based Facilities	NA	NA	NA	0.13	SMERA BB/ Stable Issuer not cooperating*
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*The issuer did not co-operate; Based on best available information.

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ABOUT SMERA

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit www.smera.in.

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