

Dashmesh Weaving & Dyeing Mills Private Limited

May 12, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.00	CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)
Total Bank Facilities	15.00 (Rs. Fifteen Crore Only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 19, 2021, placed the rating(s) of Dashmesh Weaving & Dyeing Mills Private Limited (DWDMPPL) under the 'issuer non-cooperating' category as DWDMPPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DWDMPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 06, 2022, January 15, 2022, January 25, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings assigned to the bank facilities of DWDMPPL have been revised on account of non-availability of requisite information. The rating also considers the decline in scale of operations as well as overall profitability, deterioration in capital structure and debt coverage indicators in FY21.

Detailed description of the key rating drivers

Please refer to PR dated [February 19, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

DWD was incorporated in March 2001 as a private limited company and is currently being managed by Mr Rai Sahib and Mrs Paramjit Bhalla. Both the directors look after the overall affairs of the company. DWD is engaged in dyeing and processing of fabric at its manufacturing facility located at Ludhiana, Punjab. The product line of DWD mainly comprises cotton fabric, synthetic fabric and polyester fabric. The group concerns include Raideep Fabrics Private Limited, Raideep Industries Limited and Jai Maa Iron Foundry Private Limited.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)
Total operating income	86.88	69.79	NA
PBILDT	5.54	5.69	NA
PAT	0.69	0.55	NA
Overall gearing (times)	2.82	3.29	NA
Interest coverage (times)	1.80	1.65	NA

A: Audited; Prov.; Provisional; NA: Not Available

¹ Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE publications

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: India Ratings has continued the ratings assigned to the bank facilities of DWDMPPL into 'Issuer not-cooperating' category vide press release dated October 22, 2021 on account of non-availability of requisite information from the company.

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Please refer Annexure-3

Complexity level of various instruments rated for this company: Please refer Annexure-4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE B+; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (27-Mar-20) 2)CARE BB-; ISSUER NOT COOPERATING* (04-Sep-19)
2	Fund-based - LT-Cash Credit	LT	15.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB-; Stable; (19-Feb-21) 2)CARE BB-; ISSUER NOT COOPERATING* (04-Sep-19)	

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities- Not Applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple

Annexure 5: Bank Lender Details for this Company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About CARE Ratings:

Established in 1993, CARE Ratings Ltd is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India (SEBI), it has also been acknowledged as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). With an equitable position in the Indian capital market, CARE Ratings Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.

With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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