

DTC Securities Limited

December 12, 2022

Ratings

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

Details of instruments/facilities in Annexure-1

*Issuer did not cooperate; Based on best available information

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 27, 2021, placed the rating(s) of DTC Securities Limited (DSL) under the 'issuer non-cooperating' category as DSL 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. DSL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 13, 2022, August 23, 2022, September 02, 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 rating assigned to the bank facilities of DSL have been revised on account of non-availability of requisite information.

Detailed description of the key rating drivers

Please refer to PR dated [September 27, 2021](#)

Analytical approach: Combined

CARE has combined the business and financial risk profiles of DSL and East Commercial Private Limited (ECPL) as both the companies share the lease rentals arising from a common lessee to service the debt obligation jointly sanctioned to them.

Applicable Criteria

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

[Policy on default recognition](#)

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

About the Company

DTC Securities Ltd. (DSL) and East Commercial Private Ltd. (ECPL) are part of the DTC group wherein ECPL has leased out around 63,000 sf. of commercial space of the Orchid Point Mall to Aditya Birla Fashion & Retail Ltd (erstwhile Pantaloon Retail India Ltd.) at Phool Bagan, Kolkata. Further ECPL who is the owner of the said property and has intern given consent to DSL to install at its own cost various fit outs, amenities (electricity, fire-fighting systems, lightings, DG sets, false ceilings etc.) for leasing out the same to ABFRL. DSL and ECPL have received an order from the Reserve Bank of India (RBI) with regard to cancellation of the NBFC license as the said entities have failed to maintain the specified Net Owned Funds (NOF) being prescribed under the RBI Act, 1934. The day to day affairs of the company are looked after by Mr. Dinesh Jalan.

Brief financials of DSL:

Brief Financials (Rs. crore) (Standalone)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

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

Brief financials of (DSL+ECPL):

Brief Financials (Rs. crore) (Combined)	FY21 (A)	FY22 (A)	H1FY23 (Prov.)
Total operating income	NA	NA	NA
PBILDT	NA	NA	NA
PAT	NA	NA	NA
Overall gearing (times)	NA	NA	NA
Interest coverage (times)	NA	NA	NA

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

Status of non-cooperation with previous CRA: India Ratings has continued the rating assigned to the bank facilities of DSL into Issuer Not Cooperating category vide press release dated July 28, 2022 on account of its inability to carry out a review in the absence of the requisite information from the company.

Acuite has continued the rating assigned to the bank facilities of DSL into Issuer Not Cooperating category vide press release dated May 25, 2022 on account of its inability to carry out a review in the absence of the 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: Annexure - 3

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	IS IN	Date of Issuance	Cou on Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	January 2028	15.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	15.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (27-Sep-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Sep-20)	1)CARE BB+; Stable (03-Jul-19)

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of the covenants of the rated instruments/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-Term Loan	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 Limited:

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.

Disclaimer

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