

## Digital Circuits Private Limited

November 28, 2022

### Ratings

Facilities/Instruments	Amount (Rs crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	16.80	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; Stable; (Single C; Outlook: Stable)
Long Term / Short Term Bank Facilities	1.20	CARE D / CARE D; ISSUER NOT COOPERATING* (Single D / Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; Stable / CARE A4; (Single C; Outlook: Stable / A Four)
Short Term Bank Facilities	8.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE A4; (A Four)
<b>Total Bank Facilities</b>	<b>26.00</b> <b>(Rs Twenty-Six Crore Only)</b>		

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 23, 2021, placed the rating(s) of Digital Circuits Private Limited (DCPL) under the 'issuer non-cooperating' category as DCPL 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. DCPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 10, 2022, August 19, 2022, August 29, 2022 and November 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 DCPL have been revised on account of delays in debt servicing recognized from publicly available information i.e. CIBIL Check.

### Detailed description of the key rating drivers

Please refer to PR dated [September 23, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

### About the Company

Digital Circuits Pvt Ltd (DCPL), incorporated in 2004, is engaged in providing electronic manufacturing services (EMS) primarily in the consumer durable segment. The company provides Electronic Manufacturing Services (EMS) involving manufacturing printed circuit board (PCB) assemblies and delivering end to end solution to companies in the field of telecom, power, automobiles, medical, consumer durables and energy. The company has been under operation for 25 years initially as a proprietorship concern and was converted to private limited company in 2004.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	FY21 (A)	FY22 (A)	Q1FY23 (Prov.)
Total operating income	2.83	3.18	NA
PBILDT	0.80	-0.46	NA
PAT	-1.44	0.03	NA
Overall gearing (times)	3.23	3.23	NA
Interest coverage (times)	0.25	NM	NA

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

**Status of non-cooperation with previous CRA:** Not Applicable

**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	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 D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	April 2021	1.80	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	1.00	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT/ ST-Loan Equivalent Risk		-	-	-	0.20	CARE D / CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	8.00	CARE D; 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) 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-Cash Credit	LT	15.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (23-Sep-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-Sep-20)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (06-Aug-19)
2	Non-fund-based - ST-Letter of credit	ST	8.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (23-Sep-21)	1)CARE A4; ISSUER NOT COOPERATING* (30-Sep-20)	1)CARE A4; ISSUER NOT COOPERATING* (06-Aug-19)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST**	1.00	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (23-Sep-21)	1)CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (30-Sep-20)	1)CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (06-Aug-19)

4	Non-fund-based - LT/ST-Loan Equivalent Risk	LT/ST**	0.20	CARE D / CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable / CARE A4; ISSUER NOT COOPERATING* (23-Sep-21)	1)CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (30-Sep-20)	1)CARE B-; Stable / CARE A4; ISSUER NOT COOPERATING* (06-Aug-19)
5	Fund-based - LT-Term Loan	LT	1.80	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (23-Sep-21)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (30-Sep-20)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (06-Aug-19)

\*Issuer did not cooperate; Based on best available information; \*\*LT/ST: Long term/Short Term

**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 the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Non-fund-based - LT/ ST-Loan Equivalent Risk	Simple
5	Non-fund-based - ST-Letter of 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 Limited:**

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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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