



Press Release

Dakshin Budhakali Improvement Society

May 15, 2020

Rating

Instrument / Facility	Amount (Rs. Crore)	Rating	Rating Action
Long Term Bank Facilities	25.00	IVR D; ISSUER NOT COOPERATING* (IVR Single D; Issuer Not Cooperating)	Revised from IVR BB/Stable; ISSUER NOT COOPERATING (IVR Double B with Stable outlook; Issuer Not Cooperating)
Total	25.00		

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics, vide press release dated December 02, 2019, had placed the rating of Dakshin Budhakali Improvement Society (DBIS) under the "ISSUER NOT COOPERATING" category as the society had failed to provide information for monitoring of its assigned rating to the bank facilities. The rating has been revised on account of delays in debt servicing by the society.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Detailed Key Rating Drivers

Key Rating Weakness:

Delays in debt servicing obligation:

There are on-going delays in debt servicing obligation of the Society.

Analytical Approach & Applicable Criteria

Guidelines on what constitutes Non-Cooperation by clients

Financial Ratios & Interpretation – (Financial Sector)



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Criteria on Default Recognition and Post-Default Curing Period

About the Society

Dakshin Budhakhali Improvement Society (DBIS) was formed in 1995 as a charitable society with the sole objective of improving the lives of people. It started working towards its objective to improve the quality of life of poor people through sustainable community development activities and educate the people including women, youth and children at adolescent stage so that they can enjoy their rights. It started with educational activities for the villagers. DBIS started its micro finance activity from May 2006 by lending to women borrowers engaged in small businesses under 'Self Help Group' model in rural areas of West Bengal (covering 8 districts) and Odisha (covering 1 district).

Status of non-cooperation with previous CRA: INC from CARE Ratings as per PR dated April 20, 2020 due to unavailability of information.

Any other information: Nil

Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Fund Based Limits	Long Term	25.00	IVR D; ISSUER NOT COOPERATING	IVR BB/Stable; ISSUER NOT COOPERATING (Dec 02, 2019)	IVR BB+/Stable (Aug 17, 2018)	-

** Issuer did not cooperate; based on best available information*

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund Based Facilities - Term Loan	-	-	Sept. 2020	25.00	IVR D; ISSUER NOT COOPERATING

* Issuer did not cooperate; based on best available information