



## Press Release

**Din Dayal Purushottam Lal**

**July 24, 2023**

### Ratings

Facilities**	Amount (Rs. crore)	Previous Ratings	Current Ratings	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	55.00	IVR BBB- /Stable (IVR Triple B Minus with Stable Outlook)	IVR BB+/Negative/ Issuer Not Co- operating* (IVR Double B Plus with Negative Outlook with Issuer Not Co-operating)	Downgraded and moved to ISSUER NOT COOPERATING Category	Simple
<b>Total</b>	<b>55.00</b>	<b>Rupees Fifty Five Crore Only</b>			

\* Issuer not cooperating; Based on best available information

\*\* Details of facilities is given under Annexure I.

### Ratings

The rating has been downgraded and moved to 'ISSUER NOT COOPERATING' category due to non-submission of information and lack of management co-operation.

### Detailed Rationale

The rating revision is because of lack of adequate information regarding Din Dayal Purushottam Lal Performance and hence the uncertainty around its credit risk. Infomerics Valuation and Rating Private Limited (IVR) assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The rating was due for review in May 2023. IVR took up with issuer to provide required information vide multiple E-mail communications latest by July 20, 2023, and through various telephonic calls. Despite the best efforts of IVR to get the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the entity, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Hence, on account of inadequate information, IVR is unable to assess the entity's financial performance and its ability to service its debt and maintain a valid rating. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the firm.

### Non-cooperation by Issuer



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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. Accordingly, the long-term rating for the bank loan facilities aggregating to Rs. 55.00 Crore for the bank loan facilities of M/s Din Dayal Purushottam Lal have been downgraded and moved to 'ISSUER NOT COOPERATING' category by Infomerics and the rating for the long term be noted as IVR BB+/Negative/ISSUER NOT COOPERATING; based on best available information.

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Trading Companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

### **About the Firm**

Din Dayal Purushottam Lal (DDPL) is a partnership firm, established in 1971. The firm specializes in trading of Shanker-6 and J-34 types of Indian raw cotton. The day-to-day operations are managed by its partners Mr. Mahesh Sharda and Mr. Pankaj Sharda. The group business was started in 1925 under the name of M/s Gheru Lal Bal Chand which dealt in the business of cotton wool, food grains etc at Sirsa, Haryana. Till 1975 the group had exposure to various activities like cotton ginning, oil mills etc.

### **Financials (Standalone):**

(Rs. crore)

For the year ended*/As on	31-03-2020	31-03-2021
	<b>Audited</b>	<b>Audited</b>
Total Operating Income	890.81	631.45
EBITDA	10.64	8.96
PAT	1.86	1.90
Total Debt	80.65	97.29
Adjusted Net Worth**	44.08	35.98
EBITDA Margin (%)	1.19	1.42
PAT Margin (%)	0.21	0.30
Overall Gearing Ratio (x)	1.31	2.35

\*Classification as per Infomerics' standards



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**Status of non-cooperation with previous CRA:** Brickwork vide press release dated December 15, 2022, has continued to classify the case under Issuer Not Cooperating category on account of non-submission of relevant information.

**Any other information:** Nil

### Rating History for last three years:

Sr. No	Name of Instrument/Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (May 5, 2022)	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2020-21
1.	Fund Based Facilities	Long Term	55.00	IVR BB+/Negative /INC	IVR BBB-/Stable	-	-

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

### Name and Contact Details of the Rating Analyst:

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### About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)



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**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 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 entity 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities- Cash Credit	-	-	-	55.00	IVR BB+/Negative/ Issuer Not Cooperating (IVR Double B/Negative/ Issuer Not Cooperating)

**Annexure 2: List of companies considered for consolidated analysis:** Not Applicable.

**Annexure 3: Facility wise lender details**

<https://www.infomerics.com/admin/prfiles/len-Din-Dayal-jul23.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:** Not Applicable.

**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](http://www.infomerics.com).