



April 1, 2023

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai -400 001

Scrip Code: 502820

National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1,
G Block, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
Scrip Code: DCM

ISIN: INE498A01018

Sub: Withdrawal of rating by CRISIL Limited

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended, please note that the Company had obtained credit rating from the CRISIL Limited in respect of term loans and working capital facilities obtained by DCM Engineering Products (Division of DCM Limited), from State Bank of India (SBI), ICICI Bank Limited (ICICI) and HDFC Bank Limited (HDFC) (hereinafter collectively referred to as 'Bankers').

In view of the full and final settlement of dues of all the aforesaid bankers, who have provided working capital/term loan facilities to DCM Engineering Products, the Company had requested CRISIL Limited for withdrawal of its said credit rating.

Pursuant to the request of the Company, CRISIL Limited has withdrawn the credit rating vide their rating rationale dated 31.3.2023. Copy of rationale posted by CRISIL Limited on its website is attached.

You are requested to take the above information on record.

Thanking you,
For **DCM Limited**

A handwritten signature in blue ink, appearing to read 'Yadvinder Goyal'.

Yadvinder Goyal
Company Secretary

Encl. - As stated above

Registered office:

Unit Nos. 2050 to 2052, Plaza - II, 2nd Floor, Central Square, 20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi - 110006. Phone: (011) 41539170

CIN: L74899DL1889PLC000004, Website: www.dcm.in, Email Id: investors@dcm.in



Rating Rationale

March 31, 2023 | Mumbai

DCM Limited

Ratings migrated to 'CRISIL D/CRISIL D'; Ratings Withdrawn

Rating Action

| | |
|---|---|
| Total Bank Loan Facilities Rated | Rs.82.39 Crore |
| Long Term Rating | CRISIL D (Migrated from 'CRISIL D ISSUER NOT COOPERATING'; Rating Withdrawn) |
| Short Term Rating | CRISIL D (Migrated from 'CRISIL D ISSUER NOT COOPERATING'; Rating Withdrawn) |

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Due to inadequate information, CRISIL Ratings, in line with SEBI guidelines, had migrated the rating of DCM Limited (DCM) to 'CRISIL D/CRISIL D/Issuer Not Cooperating'. CRISIL Ratings has **withdrawn** its rating on bank facility of DCM following a request from the company and on receipt of a 'no dues certificate' from the banker. Consequently, CRISIL Ratings is migrating the ratings on bank facilities of the company from 'CRISIL D/CRISIL D/Issuer Not Cooperating' to '**CRISIL D/CRISIL D**'. The rating action is in line with CRISIL Ratings' policy on withdrawal of bank loan ratings.

About the Company

Set up by the late Mr Lala Shriram in 1889, DCM (formerly, Delhi Cloth and General Mills Company Ltd) is headed by Dr Vinay Bharat Ram. It is listed on the Bombay Stock Exchange and the National Stock Exchange. It expanded and diversified

its activities into a number of manufacturing activities such as Textiles, Engineering products and Information Technology. DCM also has presence in real estate.

The engineering products division was set up in 1974 in Ropar, Punjab, as a division of DCM. It was hived off into DCME in 2004, following the restructuring of DCM's debt. DCME was merged with DCM in fiscal 2016. The engineering division is one of India's large independent manufacturers of grey iron castings, supplied to auto players (cars, multi-utility vehicles, tractors, light commercial vehicles, heavy commercial vehicles, and earth-moving equipment). DCM also specialises in cylinder heads, cylinder blocks, and housing.

In IT division it provide services such as system administration, storage management, backup recovery, disaster management, and databases in the infrastructure service segment.

In May 2019 the textile division got demerge into DCM Nouvelle Limited effective from April 01, 2019 and IT business transferred to wholly owned subsidiary DCM Infotech Limited in September 2019

Key Financial Indicators

| Particulars | 2022 | 2021 |
|--------------------------------------|-----------------|---------------|
| Revenue | 1.1 | 0.5 |
| Profit After Tax (PAT) | 17.78 | -19.97 |
| Operating Profit Margin (OPM) | 2803.64% | -1528% |
| Net Profit Margin (NPM) | 1616.36% | -3994% |

Source: BSE Website

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

| ISIN | Name of instrument | Date of allotment | Coupon rate (%) | Maturity date | Issue size (Rs crore) | Complexity levels | Rating assigned with outlook |
|------|-----------------------------------|-------------------|-----------------|---------------|-----------------------|-------------------|------------------------------|
| NA | Bill Discounting | NA | NA | NA | 15 | NA | Withdrawn |
| NA | Cash Credit | NA | NA | NA | 10 | NA | Withdrawn |
| NA | Cash Credit | NA | NA | NA | 34 | NA | Withdrawn |
| NA | Cash Credit | NA | NA | NA | 4 | NA | Withdrawn |
| NA | Letter of credit & Bank Guarantee | NA | NA | NA | 4.5 | NA | Withdrawn |
| NA | Long Term Loan | NA | NA | Not Available | 1.84 | NA | Withdrawn |
| NA | Long Term Loan | NA | NA | Not Available | 2 | NA | Withdrawn |
| NA | Long Term Loan | NA | NA | Not Available | 2.05 | NA | Withdrawn |
| NA | Overdraft Facility | NA | NA | NA | 9 | NA | Withdrawn |

Annexure - Rating History for last 3 Years

| Instrument | Current | | | 2023 (History) | | 2022 | | 2021 | | 2020 | | Start of 2020 |
|----------------------------------|---------|--------------------|-----------|----------------|--------|----------|------------------------------------|------|--------|----------|----------|---------------|
| | Type | Outstanding Amount | Rating | Date | Rating | Date | Rating | Date | Rating | Date | Rating | Rating |
| Fund Based Facilities | LT/ST | 77.89 | Withdrawn | | -- | 26-02-22 | CRISIL D (Issuer Not Cooperating)* | | -- | 30-11-20 | CRISIL D | CRISIL D |
| Non-Fund Based Facilities | ST | 4.5 | Withdrawn | | -- | 26-02-22 | CRISIL D (Issuer Not Cooperating)* | | -- | 30-11-20 | CRISIL D | CRISIL D |

All amounts are in Rs.Cr.

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

Annexure - Details of Bank Lenders & Facilities

| Facility | Amount (Rs.Crore) | Rating |
|--|-------------------|------------------|
| Bill Discounting | 15 | Withdrawn |
| Cash Credit | 10 | Withdrawn |
| Cash Credit | 34 | Withdrawn |
| Cash Credit | 4 | Withdrawn |
| Letter of credit & Bank Guarantee | 4.5 | Withdrawn |
| Long Term Loan | 1.84 | Withdrawn |

| | | |
|--------------------|------|-----------|
| Long Term Loan | 2 | Withdrawn |
| Long Term Loan | 2.05 | Withdrawn |
| Overdraft Facility | 9 | Withdrawn |

Criteria Details

| |
|---|
| Links to related criteria |
| Assessing Information Adequacy Risk |
| CRISILs Bank Loan Ratings |
| The Rating Process |
| CRISILs Bank Loan Ratings - process, scale and default recognition |

| Media Relations | Analytical Contacts | Customer Service Helpdesk |
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