

Press Release

Dhairya Construction

June 14, 2021

Rating Update



Total Bank Facilities Rated*	Rs. 30.00 Cr.#
Long Term Rating	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuité has downgraded the long-term rating to '**ACUITE B+**' (read as **ACUITE B plus**) from '**ACUITE BB-**' (read as **ACUITE double B minus**) on the Rs. 30.00 crore bank facilities of Dhairya Construction (DC). The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

DC, a Kutch-based civil construction firm, established in 2013 by Mr. Birju Shah commenced operations in 2014. The firm undertakes government, PPP (Public Private Partnership) projects. It caters to Cube Construction Engineering Limited (CCEL) and Katira Construction Limited.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-51.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Liquidity Indicators - "No information provided by the issuer / available for Acuite to comment upon."

Rating Sensitivity - "No information provided by the issuer / available for Acuite to comment upon."

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
20-Mar-2020	Secured Overdraft	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Secured Overdraft	Long Term	1.30	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	1.75	ACUITE BB- Issuer not co-operating*
	Secured Overdraft	Long Term	0.60	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	0.32	ACUITE BB- Issuer not co-operating*
	Cash Credit	Long Term	1.00	ACUITE BB- Issuer not co-operating*
	Proposed Cash Credit	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Proposed Bank Facility	Long Term	5.03	ACUITE BB- Issuer not co-operating*
15-Jan-2019	Secured Overdraft	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Secured Overdraft	Long Term	1.30	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	1.75	ACUITE BB- Issuer not co-operating*
	Secured Overdraft	Long Term	0.60	ACUITE BB- Issuer not co-operating*
	Term Loan	Long Term	0.32	ACUITE BB- Issuer not co-operating*
	Cash Credit	Long Term	1.00	ACUITE BB- Issuer not co-operating*
	Proposed Cash Credit	Long Term	10.00	ACUITE BB- Issuer not co-operating*
	Proposed Bank Facility	Long Term	5.03	ACUITE BB- Issuer not co-operating*
21-Nov-2017	Secured Overdraft	Long Term	10.00	ACUITE BB-/ Stable (Assigned)
	Secured Overdraft	Long Term	1.30	ACUITE BB-/ Stable (Assigned)
	Term Loan	Long Term	1.75	ACUITE BB-/ Stable (Assigned)
	Secured Overdraft	Long Term	0.60	ACUITE BB-/ Stable (Assigned)
	Term Loan	Long Term	0.32	ACUITE BB-/ Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BB-/ Stable (Assigned)
	Proposed Cash Credit	Long Term	10.00	ACUITE BB-/ Stable (Assigned)
	Proposed Bank Facility	Long Term	5.03	ACUITE BB-/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	1.30	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	1.75	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Term Loan	Not Available	Not Available	Not Available	0.32	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.03	ACUITE B+ (Downgraded from ACUITE BB-) Issuer not co-operating*

*The issuer did not co-operate; based on best available information.

Contacts

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About Acuite Ratings & Research:

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