



Press Release
Dhairya Construction
September 06, 2022

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	30.00	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	30.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

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

About the Company

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.

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.

About the Rated Entity - Key Financials

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

Rating Sensitivity

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

Material Covenants

None

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

Outlook

Not Applicable

Status of non-cooperation with previous CRA

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.

Applicable Criteria

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

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
14 Jun 2021	Secured Overdraft	Long Term	10.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Cash Credit	Long Term	10.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	0.60	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Secured Overdraft	Long Term	1.30	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	0.32	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	1.75	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Proposed Bank Facility	Long Term	5.03	ACUITE B+ (Downgraded and Issuer not co-operating*)
20 Mar 2020	Cash Credit	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	0.60	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	1.75	ACUITE BB- (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	10.00	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	1.30	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	10.00	ACUITE BB- (Issuer not co-operating*)
	Term Loan	Long Term	0.32	ACUITE BB- (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	5.03	ACUITE BB- (Issuer not co-operating*)
15 Jan 2019	Proposed Bank Facility	Long Term	5.03	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	10.00	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*)
	Term Loan	Long Term	1.75	ACUITE BB- (Issuer not co-operating*)
	Proposed Cash Credit	Long Term	10.00	ACUITE BB- (Issuer not co-operating*)
	Cash Credit	Long Term	1.00	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	1.30	ACUITE BB- (Issuer not co-operating*)
	Secured Overdraft	Long Term	10.00	ACUITE BB- Stable (Assigned)
	Secured Overdraft	Long Term	1.30	ACUITE BB- Stable (Assigned)
		Long		

21 Nov 2017	Secured Overdraft	Term	0.60	ACUITE BB- Stable (Assigned)
	Term Loan	Long Term	1.75	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

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
The Bhuj Mercantile Cooperative Bank Limited	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	5.03	ACUITE B+ Reaffirmed Issuer not co-operating*
Union Bank of India	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	10.00	ACUITE B+ Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	1.30	ACUITE B+ Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	0.60	ACUITE B+ Reaffirmed Issuer not co-operating*
Kotak Mahindra Bank	Not Applicable	Term Loan	Not available	Not available	Not available	0.32	ACUITE B+ Reaffirmed Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	1.75	ACUITE B+ Reaffirmed Issuer not co-operating*

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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