



### Press Release

**Dharamraj Contracts India Private Limited**  
**September 06, 2024**

### Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	ACUITE C   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	120.00	-	ACUITE A4   Downgraded   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	145.00	-	-

### Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE C**' (read as **ACUITE C**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and its short-term rating to '**ACUITE A4**' (read as **ACUITE A four**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 145.00 crore bank facilities of Dharamraj Contracts India Private Limited (DCIPL).

Acuite had sent repeated reminders to the company for sharing critical information for surveillance of the ratings. But despite multiple requests, the company has remained non-cooperative in providing the information. The rating is now flagged as "Issuer Not-Cooperating" and is based on best available information.

The rating is downgraded on account of delays reflected in servicing of term loan obligations in credit bureau information report of the company and non submission of NDS for the last 03 months.

### About the Company

Incorporated in 2010 by Mr. Raj Singh and Mr. Chaman Singh, DCIPL is a Delhi-based company involved in the construction of roads and subways for both government and private entities. It is a class "AA" contractor with Ghaziabad Development Authority, Noida Development Authority and various Public Works Departments (PWDs). The promoters of the company have been in this line of business for the past two decades (earlier, promoters were engaged in the same line of business as a sub-contractor through a proprietorship concern till 2010).

## Unsupported Rating

Not Applicable

### Non-cooperation by the issuer/borrower

Acuité has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuité believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being 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 endeavoured 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.

**Rating Sensitivities**

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

**Liquidity Position**

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

**Outlook**

Not Applicable

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Provisional)	FY 22 (Actual)
Operating Income	Rs. Cr.	136.17	137.61
PAT	Rs. Cr.	9.94	7.53
PAT Margin	(%)	7.30	5.47
Total Debt/Tangible Net Worth	Times	1.35	1.95
PBDIT/Interest	Times	2.73	2.32

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 Sep 2023	Cash Credit	Long Term	19.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.00	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	71.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	34.00	ACUITE A3 (Reaffirmed)
	Proposed Short Term Bank Facility	Short Term	15.00	ACUITE A3 (Reaffirmed)
14 Jun 2022	Bank Guarantee (BLR)	Short Term	71.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	24.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	10.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BBB-   Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	1.00	ACUITE BBB-   Stable (Assigned)
01 Jun 2022	Bank Guarantee (BLR)	Short Term	71.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	24.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB-   Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB-   Stable (Reaffirmed)
03 Mar 2021	Bank Guarantee (BLR)	Short Term	24.00	ACUITE A3 (Upgraded from ACUITE A4)
	Bank Guarantee (BLR)	Short Term	71.00	ACUITE A3 (Upgraded from ACUITE A4)
	Cash Credit	Long Term	5.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB-   Stable)
	Cash Credit	Long Term	15.00	ACUITE BBB-   Stable (Upgraded from ACUITE BB-   Stable)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	71.00	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A3 )
HDFC Bank Ltd	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	34.00	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A3 )
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	5.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )
Punjab National Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	19.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	1.00	ACUITE C   Downgraded   Issuer not co-operating* ( from ACUITE BBB- )
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	15.00	ACUITE A4   Downgraded   Issuer not co-operating* ( from ACUITE A3 )

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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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