



**Press Release**  
**Daroga Pradhan**  
**August 28, 2024**

**Rating Downgraded and Issuer not co-operating**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	18.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	82.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	100.00	-	-

**Rating Rationale**

Acuite has downgraded the long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs. 100.00 crore bank facilities of Daroga Pradhan. The downgraded is on account of information risk. The rating is now flagged as "Issuer Not-Cooperating" on account of information risk and is based on the best available information.

**About the Company**

Established in 1970 as a proprietorship concern and changed its constitution to partnership firm in 2000, Daroga Pradhan is a Jharkhand-based company promoted by Mr. Dinesh Pradhan and Mr. Mahesh Pradhan. The firm is engaged in civil construction work. The firm is registered 'Class A' contractor mainly catering to the Department of Road Construction, Public Works Department (PWD), Housing Board of Government of Jharkhand and Bihar among others.

**Unsupported Rating**

Not Applicable

**Non-cooperation by the issuer/borrower**

Acuite 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 noncooperation by the issuer along with an 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.

#### **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.	163.87	114.45
PAT	Rs. Cr.	13.05	8.43
PAT Margin	(%)	7.96	7.36
Total Debt/Tangible Net Worth	Times	0.81	0.58
PBDIT/Interest	Times	7.55	5.77

### 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
02 Jun 2023	Bank Guarantee (BLR)	Short Term	19.00	ACUITE A3+ (Upgraded from ACUITE A4+)
	Proposed Bank Guarantee	Short Term	34.00	ACUITE A3+ (Upgraded from ACUITE A4+)
	Bank Guarantee (BLR)	Short Term	29.00	ACUITE A3+ (Upgraded from ACUITE A4+)
	Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Upgraded from ACUITE BB+)
	Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Upgraded from ACUITE BB+)
	Proposed Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Upgraded from ACUITE BB+)
15 Nov 2022	Bank Guarantee (BLR)	Short Term	29.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Bank Guarantee (BLR)	Short Term	19.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Proposed Bank Guarantee	Short Term	34.00	ACUITE A4+ (Downgraded & Issuer not co-operating* from ACUITE A3+)
	Cash Credit	Long Term	6.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Cash Credit	Long Term	6.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
	Proposed Cash Credit	Long Term	6.00	ACUITE BB+ (Downgraded & Issuer not co-operating* from ACUITE BBB   Stable)
18 Aug 2021	Proposed Bank Guarantee	Short Term	34.00	ACUITE A3+ (Assigned)
	Bank Guarantee (BLR)	Short Term	19.00	ACUITE A3+ (Assigned)
	Bank Guarantee (BLR)	Short Term	29.00	ACUITE A3+ (Assigned)
	Proposed Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Assigned)
	Cash Credit	Long Term	6.00	ACUITE BBB   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Axis Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	19.00	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	29.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3+ )
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB )
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB )
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	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+ )
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB )

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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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