

March 20, 2024

## DH Limited: Ratings Withdrawn

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term- Non-Fund Based- Others	10.00	10.00	[ICRA]A4; ISSUER NOT COOPERATING*; Withdrawn.
Short Term-Unallocated	18.00	18.00	[ICRA]A4; ISSUER NOT COOPERATING*; Withdrawn.
Long Term- Fund Based-Cash Credit	7.00	7.00	[ICRA]B+(Stable); ISSUER NOT COOPERATING*; Withdrawn.
<b>Total</b>	<b>35.00</b>	<b>35.00</b>	

\* Issuer did not cooperate; based on best available information.

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has withdrawn the Long-term and Short-Term Ratings assigned to DH Limited at the request of the company and based on the No Objection certificate (NOC) received from its banker. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy on Withdrawal of Credit Ratings</a> <a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group Support	Not applicable
Consolidation/Standalone	Standalone

### About the company

DH Limited was incorporated as Dass Hitachi Limited in 1960, a joint venture with Hitachi Limited of Japan, for the manufacture of watt-hour metres. The company continued with manufacturing of electric metres till 1994. Thereafter, due to delayed payments from state electricity boards, the company discontinued manufacturing electric metres. Over the years, it has diversified into other products like cableway systems and specialised systems for the defence forces. At present, DH Limited caters to the requirements of the Indian Army and manufactures products like shelters and masts. The company owns 12.5 acres of land in Sahibabad, Uttar Pradesh, which is used for its manufacturing and testing operations.

## Key financial indicators

Standalone	FY2021	FY2022
Operating Income (Rs. crore)	40.8	20.2
PAT (Rs. crore)	4.3	1.9
OPBDIT/OI (%)	19.4%	22.2%
PAT/OI (%)	10.5%	9.5%
Total Outside Liabilities/Tangible Net Worth (times)	0.5	0.5
Total Debt/OPBDIT (times)	1.9	3.6
Interest Coverage (times)	5.8	4.1

## Status of non-cooperation with previous CRA:

CRA	Rating Action	Date of release
CARE	CARE B; Stable/CARE A4; ISSUER NOT COOPERATING	February 15, 2023

Any other information: None

## Rating history for past three years

Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in		Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				20-March-2024	20-Sept-2023			
1 Non-Fund Based- Others	Short Term	10.00	-	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING
2 Unallocated	Short Term	18.00	-	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4+; ISSUER NOT COOPERATING
3 Fund Based- Cash Credit	Long Term	7.00	-	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	[ICRA]BB+ (Stable); ISSUER NOT COOPERATING

## Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Fund Based- Others	Very Simple
Unallocated	Not Applicable
Fund Based-Cash Credit	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

## Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Non-Fund Based- Others	-	-	-	10.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
NA	Unallocated	-	-	-	18.00	[ICRA]A4; ISSUER NOT COOPERATING; Withdrawn
NA	Fund Based-Cash Credit	-	-	-	7.00	[ICRA]B+ (Stable); ISSUER NOT COOPERATING; Withdrawn

Source: DH Limited

## Annexure-2: List of entities considered for consolidated analysis – Not applicable.

## ANALYST CONTACTS

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### Branches



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