

October 19, 2020

Dott Services Limited: Ratings Withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term – Unallocated	63.70	63.70	[ICRA]D; reaffirmed and withdrawn
Short Term - Non Fund Based	36.30	36.30	[ICRA]D; reaffirmed and withdrawn
Total	100.00	100.00	

*Instrument details are provided in Annexure-1

Rationale

The short-term rating assigned to Dott Services Limited have been withdrawn at the request of the company and based on the No Due Certificate received from the banker, and in accordance with ICRA's policy on withdrawal and suspension.

Key rating drivers and their description

Key rating drivers have not been captured as the rating is being withdrawn.

Liquidity position- Poor

The company's liquidity position is poor with high repayment obligation of Rs. 8.4 crore in FY2021 as against low free cash balances of Rs. 4.00 crore and low retained cash flows.

Rating sensitivities

Not captured as the rating is being withdrawn.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

DOTT, incorporated in February 2014, is a wholly-owned subsidiary of M/s Dott Services Limited, which is an East Africa based construction company with experience of over two decades in executing construction projects. DSPL is managed by its Directors, Mr. K. Venkateswara Rao and Mr. Ravi Varma. It has been executing overburden removal works at mines since its inception.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key financial indicators:

	FY 2018	FY 2019
Operating Income (Rs. crore)	488.9	376.5
PAT (Rs. crore)	4.7	5.0
OPBDIT/OI (%)	6.3%	5.9%
RoCE (%)	17.6%	13.7%
Total Outside Liabilities/Tangible Net Worth (times)	3.1	2.0
Total Debt/OPBDIT (times)	1.2	1.9
Interest Coverage (times)	6.7	5.4

Source: Dott Services Limited

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years				
		Type	Amount Rated	Amount Outstanding	Rating		FY2020		FY2019	FY2018
					October 19, 2020	October 01, 2020	January 30, 2020	October 28, 2019	April 10, 2018	-
1	Non-fund Based	Short-term	36.30	-	[ICRA]D; reaffirmed and withdrawn	[ICRA]D	[ICRA]A4+	[ICRA]A4+; ISSUER NOT COOPERATING*	[ICRA]A4+	-
2	Unallocated	Short-term	63.70	-	[ICRA]D; reaffirmed and withdrawn	[ICRA]D	[ICRA]A4+	[ICRA]A4+; ISSUER NOT COOPERATING*	[ICRA]A4+	-

**Issuer did not co-operate; based on best available information.; Amount in Rs. Crore*

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

Annexure-1: Instrument details

ISI	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Bank Guarantee	NA	NA	NA	36.30	[ICRA]D; reaffirmed and withdrawn
NA	Unallocated	NA	NA	NA	63.70	[ICRA]D; reaffirmed and withdrawn

Source: Dott Services Limited

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