

November 19, 2019

Dipanshu Promoter & Builder Pvt. Ltd.: Moved to 'Issuer Not Cooperating' category ,Ratings downgraded based on best available information

Summary of Rated Instrument:

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based – Cash Credit	4.50	4.50	[ICRA]B+(Stable) ISSUER NOT COOPERATING*/ Rating downgraded from [ICRA]BB (Stable) and Moved to 'Issuer Not Cooperating' category
Fund-based- Overdraft	0.50	0.50	[ICRA]B+(Stable) ISSUER NOT COOPERATING*/ Rating downgraded from [ICRA]BB (Stable) and Moved to 'Issuer Not Cooperating' category
Non Fund Based -Bank Guarantees	22.50	22.50	[ICRA]B+(Stable)/[ICRA]A4 ISSUER NOT COOPERATING*/ Rating downgraded from [ICRA]BB (Stable) /[ICRA]A4+ and Moved to 'Issuer Not Cooperating' category
Total	27.50	27.50	

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

[^]Instrument details are provided in Annexure⁻¹

Rationale

The ratings for the Rs. 27.50 crore bank facilities of Dipanshu Promoter & Builder Pvt. Ltd. Downgraded and moved to 'Issuer Not Cooperating' category. The rating is now denoted as “[ICRA]B+ (stable)/[ICRA]A4; ISSUER NOT COOPERATING.

The rating downgrade is because of lack of adequate information regarding Dipanshu Promoter & Builder Pvt. Ltd..performance and hence the uncertainty around its credit risk. ICRA assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its “Policy in respect of non-cooperation by the rated entity”. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

As part of its process and in accordance with its rating agreement with Dipanshu Promoter & Builder Pvt. Ltd., ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

About the company:

Incorporated in 1998, Dipanshu Promoter & Builder Pvt. Ltd. (DPBPL) was initially set up as Classic Marble House Private Limited. The name was changed to DPBPL in 2004. The company is involved in civil construction work, primarily buildings for government departments and agencies in Jharkhand and Bihar.

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

Status of non-cooperation with previous CRA

Not applicable

Any other information

Not applicable

Key financial indicators:

	FY2017	FY2018
Operating Income (Rs. crore)	154.61	176.33
PAT (Rs. crore)	6.69	7.55
OPBDIT/ OI (%)	8.6%	10.0%
RoCE (%)	44.75%	37.57%
Total Debt/ TNW (times)	0.40	0.36
Total Debt/ OPBDIT (times)	0.70	0.62
Interest Coverage (times)	11.18	7.58
NWC/ OI (%)	10%	9%

Rating history for past three years

All figures in Rs. Crore

	Instrument	Current Rating (FY2020)				Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating	FY2019	FY2018	FY2017
					19-Nov-2019	25-May-2018	-	-
1	Cash Credit	Long Term	4.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable)	-	-
2	Overdraft	Long Term	0.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB (Stable)	-	-
3	Bank Guarantee	Long Term/ Short Term	22.50	-	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]BB (Stable)/ [ICRA]A4+	-	-

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 www.icra.in

Annexure-1 Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	4.50	[ICRA]B+(Stable) ISSUER NOT COOPERATING
NA	Overdraft	NA	NA	NA	0.50	[ICRA]B+(Stable) ISSUER NOT COOPERATING
NA	Bank Guarantee	NA	NA	NA	22.50	[ICRA]B+(Stable)/ [ICRA]A4 ISSUER NOT COOPERATING

Source: Dipanshu Promoter & Builder Pvt. Ltd.

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