



Press Release

Dhwaja Shares & Securities Private Limited

December 22, 2023

Ratings:

(INR Crore)

Instrument / Facility	Amount	Ratings	Rating Action	Complexity Indicator
Long Term / Short Term Bank Facilities	185.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook; IVR A Four Plus; ISSUER NOT COOPERATING*)	Revised and migrated to ISSUER NOT COOPERATING Category and Outlook revised to Negative	Simple
Total	185.00 (Rupees One Eighty-Five crore only)			

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

Details of Facilities are in Annexure 1

Detailed Rationale:

The revision in the ratings assigned to the bank facilities of Dhwaja Shares & Securities Private Limited (DSSPL) reflects a lack of adequate information available and the uncertainty around its credit risk. Additionally, due to a lack of management cooperation towards non-payment of fees, IVR has migrated the rating on bank facilities of DSSPL to 'Issuer not cooperating'.

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.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated November 22, 2023, December 01, 2023, December 08, 2023, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted all the essential details and the surveillance fees required for monitoring the ratings. Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information.



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Accordingly, the long-term and short-term ratings of the bank loan facilities aggregating to Rs.185.00 crore of Dhwaja Shares & Securities Private Limited shall be moved under the 'ISSUER NOT COOPERATING' category by Infomerics and the ratings will be at "IVR BB+/ Negative; ISSUER NOT COOPERATING and IVR A4+; ISSUER NOT COOPERATING" based on best available information. Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach: Standalone

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology for Service Sector Entities](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Criteria for assigning rating outlook](#)

About the Company:

Dhwaja Share and Securities Private Limited promoted by Mr. Gaurang Shah and Mr. Sunil Anandpara in the year 2005 to carry on the business as share & sub-brokers. Then the company had introduced new directors namely Mr. Hemal Shah and Mr. Jayesh Anandpara as a director of the company in November 2009 and October 2010 respectively.

Financials: Standalone

(INR Crore)

For the year ended/ As On	31-03-2022 (Audited)	31-03-2023 (Audited)
Total Operating Income	295.65	81.62
EBITDA	228.55	21.12
PAT	168.01	7.04
Total Debt	0.14	20.07
Tangible Net-worth*	298.19	305.24
Ratios		
EBITDA Margin (%)	77.30	25.88
PAT Margin (%)	56.76	8.59
Overall Gearing Ratio* (x)	0.00	0.07

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: None

Any other information: None



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Rating History for last three years:

(INR Crore)

Sr. No.	Name of Instrument / Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding	Rating	Date(s) & Rating(s) assigned in 22-23 (20 th October 2023)	Date(s) & Rating(s) assigned in 21-22	Date(s) & Rating(s) assigned in 20-21
1	Long Term Bank Facilities/ Short Term Bank Facilities	Long term/ Short term	185.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING* (IVR Double B Plus with Negative Outlook; IVR A Four Plus; ISSUER NOT COOPERATING*)	IVR BBB- / Stable Outlook and IVR A3 (IVR Triple B Minus with Stable Outlook / IVR A Three)	--	--

Name and Contact Details of the Rating Director:

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.



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Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities:

(INR Crore)

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility	Rating Assigned/ Outlook
Long Term / Short Term – Non-Fund Based – Bank Guarantee	–	–	–	160.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING*
Long Term / Short Term – Non-Fund Based – Letter of Guarantee	–	–	–	25.00	IVR BB+/Negative; IVR A4+; ISSUER NOT COOPERATING*

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

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.