

Dhruv Wellness Limited

March 03, 2023

Facilities	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE had, vide its press release dated January 07, 2022, placed the rating of Dhruv Wellness Limited (DWL) under the 'issuer non-cooperating' category as DWL had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. DWL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated November 23, 2022, December 03, 2022, December 07, 2022, December 08, 2022, December 13, 2022. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating.

The reaffirmation in rating factors in default in the debt servicing and accounts of the company have been classified as nonperforming assets (NPA).

Detailed description of the key rating drivers

At the time of last rating on January 07, 2022, the following were the rating strengths and weaknesses (updated for the information available from Bombay Stock Exchange and CIBIL):

Key weaknesses

Default in debt servicing:

As per the annual reports for received for FY22, the company has defaulted on payments of interest and installments of banks and financial institutions and all the loan accounts are classified as Non-Performing Loans by respective lenders before year ended March 31, 2022. Further, as per the CIBIL records for the quarter ended December 30, 2022, the company and director names were appeared as willful defaulter against the bank facilities.

Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Wholesale Trading](#)

About the company and industry

Industry Classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Services	Retailing	Pharmacy Retail

Established in 2005 by Mr. Pravin Kumar Prajapati as a proprietorship entity, Dhruv Agency (DA), with Mrs. Anita Prajapati as the proprietor) was later converted into a private limited company and renamed as Dhruv Wellness Private Limited (DWPL) in March 2015, thereafter which it was converted into a public limited company and renamed as Dhruv Wellness Limited (DWL) in July

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

2017. DWL is engaged in trading & distributorship of various pharmaceutical & cosmetic products which are sold to various retailers and wholesalers mainly in the Western suburbs of Mumbai and outskirts also. Some of the said products are procured by the company directly from the principal manufacturers of the same for whom the company acts as a distributor, whereas the rest of the products are procured from other wholesalers of the same. Moreover, the company also undertakes manufacturing of ayurvedic medicines under its own brand "Dhruv", however such manufacturing is completely outsourced to Savita Health Care Private Limited.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	H1FY23 (UA)
Total operating income	0.00	0.37	0.36
PBILDT	-5.15	0.02	0.02
PAT	-5.15	0.02	0.02
Overall gearing (times)	-1.37	-1.37	NA
Interest coverage (times)	0.00	0.00	NA

A: Audited; UA: Un-audited; NA: Not available; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Nil

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated facilities: Detailed explanation of the covenants of the rated facilities is given in Annexure-3

Complexity level of the various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of facilities

Name of the Facilities	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	15.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (07-Jan-22)	1)CARE D; ISSUER NOT COOPERATING* (30-Dec-20) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (22-Jun-20)	-

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

Annexure-3: Detailed explanation of the covenants of the rated facilities - Nil
Annexure-4: Complexity level of the various facilities rated

Sr. No.	Name of the Facilities	Complexity Level
1	Fund-based - LT-Cash Credit	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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