

Dhatre Udyog Limited
(*Erstwhile Narayani Steels Limited*)

April 24, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	97.50	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	125.00	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 Ratings Ltd. had, vide its press release dated January 30, 2023, placed the rating(s) of Dhatre Udyog Limited (DUL) under the 'issuer non-cooperating' category as DUL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. DUL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 26, 2023, January 05, 2024, April 16, 2024.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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(s).

Analytical approach: Standalone

Outlook: Not Applicable

Detailed description of the key rating drivers

Please refer to PR dated [January 30, 2023](#)

Applicable criteria

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)
[Policy on default recognition](#)

About the Company

Dhatre Udyog Limited (DUL) which belongs to Narayani Group, is incorporated in the year 1996 by Mr. Kishanlal Choudhary, who is the chairman of the company and is ably supported by his son Mr. Sunil Choudhary, who is the managing director and chief executive officer with an overall experience of 20 years. The name of the company has been changed from Narayani Steels Limited to Dhatre Udyog Limited in May 08, 2023. During FY17, Narayani Steels Limited got listed through the SME platform of the Bombay stock exchange in FY17. NSL is part of the Narayani group; the group comprises five companies namely Narayani Steels Limited (NSL), Narayani Ispat Limited (NIL), Hari Equipment Private Limited (HEPL), Kedarnath Commotrade Private Limited (KCPL) and Agrimony Tradex Vyaappar Private Limited (ATVPL).

The Narayani group is engaged in the trading of blooms, billets, TMT bars, pellets, and wire coils and the manufacturing of TMT bars and other long products such as rounds, flats, angles, channels, etc. Further, the group has a wide network for the sales and distribution of the products across Andhra Pradesh, Telangana and other states in India.

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

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)	9MFY24(Prov.)
Total operating income	11.62	107.10	133.61
PBILDT	0.81	7.04	11.01
PAT	66.78	6.69	7.54
Overall gearing (times)	0.05	0.02	-
Interest coverage (times)	30.23	67.78	-

A: Audited; Prov.: Provisional; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Covenants of rated instrument/facility: Annexure 3

Complexity level of various instruments rated for this company: Annexure 4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	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		-	-	-	60.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits		-	-	-	37.50	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	25.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	100.00	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 Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	60.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (30-Jan-23)	1)CARE D; ISSUER NOT COOPERATING * (11-Jan-22)
2	Non-fund-based - ST-Bank Guarantee	ST	25.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (30-Jan-23)	1)CARE D; ISSUER NOT COOPERATING * (11-Jan-22)
3	Non-fund-based - ST-Letter of credit	ST	100.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (30-Jan-23)	1)CARE D; ISSUER NOT COOPERATING * (11-Jan-22)
4	Fund-based - LT-Working Capital Limits	LT	37.50	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (30-Jan-23)	1)CARE D; ISSUER NOT COOPERATING * (11-Jan-22)

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

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Working Capital Limits	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of 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:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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