



Rating Rationale

Durgamba Constructions

13th September 2017

Brickwork Ratings has reviewed the rating assigned to the Bank Loan Facilities of Rs. 9.25 Cr of Durgamba Constructions, based on best available information, as the issuer did not cooperate. Accordingly the long term rating for the said Bank Loan Facilities is revised to 'BWR B (Outlook: Stable) and Short term rating has been reaffirmed as BWR A4. ISSUER NOT COOPERATING'

Particulars

Facility Rated	Amount (Rs. Crs)		Tenure	Rating*	
	Previous (June' 2016)	Present ¹ (Sep' 2017)		Previous (June' 2016)	Present ¹ (Sep' 2017)
Fund Based					
OCC	6.00	8.00	Long Term	BWR B+ (Pronounced BWR Single B Plus) (Outlook: Stable) <i>Reaffirmed</i>	BWR B (Pronounced BWR Single B) (Outlook – Stable) <i>Downgraded ISSUER NOT COOPERATING[#]</i>
Non Fund Based					
Bank Guarantee	1.50	1.25	Short Term	BWR A4 (BWR A Four) <i>Reaffirmed</i>	BWR A4 (BWR A Four) <i>Reaffirmed ISSUER NOT COOPERATING[#]</i>
Total	9.25	9.25	(Rs Nine Crores and Twenty Five Lakhs Only)		

* Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

[#] Issuer did not cooperate; Based on best available information

Rating Downgraded

In view of the non-availability of the information and lack of management cooperation, Brickwork Ratings has downgraded the long term rating and reaffirmed the short term ratings for bank loan facilities amounting to Rs. 9.25 Cr of **Durgamba Constructions**

Nature of Non Co-Operation

The rating was due for an annual review in June 2016. Brickwork Ratings took up with the issuer to provide required information over emails and through telephone calls. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the firm has not provided the same. In the absence of adequate information from the issuer, Brickwork Ratings is unable to assess the issuer's financial performance and its ability to service its bank loan obligations and maintain a valid rating.



The lenders/investors may note to exercise due caution while using the above ratings which mentions "Issuer Not Cooperating" since the ratings lacks any projections or a forward looking component as it is arrived based on best available information on the company/firm without any management/banker's interaction.

Limitations of the Rating

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

About the Firm

Durgamba Consultancy is a proprietorship Concern of Mr. N. Santhosh Kumar Shetty in 1997. The concern was renamed as Durgamba Construction (DC) in 2003 and is located at Surathkal, Mangalore. DC undertakes infrastructure related project contracts such as Civil Works, Culverts, Bridges, Road Maintenance & Development in Mangalore. The Concern is a registered Class I Contractor for Public Works Department (P.W.D) and Panchayat Raj Engineering Department (P.R.E.D). The firm has two associate concerns, viz., Durgamba Builders and Matha Developers Pvt Ltd, which are also promoted by Mr. Santhosh Kumar Shetty.

DC is also engaged in construction of Layouts, Independent Houses, Flats and Commercial Complexes. The Concern has tied up with its associate companies for a few on-going residential projects like Matha Residency Maryhill, Matha Residency Mukka, Matha Panchadurga Residency and Sai Matha Garden in Mangalore.

Rating History for the last three years:

Sl. No.	Instrument/ Facility	Current Rating (Year 2017)			Rating History		
		Type	Amount (Rs Crs)	Rating	2016	2015	2014
1	Fund Based	Long Term	8.00	BWR B <i>Issuer Not Cooperating#</i>	BWR B+	Nil	BWR B+
2	Non Fund Based	Short Term	1.25	BWR A4	BWR A4	Nil	BWR A4
	Total		9.25 Crs	(Rs Nine Crores and Twenty Five Lakhs Only)			

Issuer did not cooperate; Based on best available information

Hyperlink/Reference to **Applicable** to **Criteria**

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Services Sector](#)

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹ 19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.