



Press Release
Deekay Electricals
October 06, 2023

Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	23.00	-	ACUITE A4+ Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	23.00	-	-

Rating Rationale

Acuite has reaffirmed the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four Plus**) on the Rs. 23 Cr. bank facilities of Deekay Electricals (DK). This rating is now an indicative rating on account of information risk.

About the Company

Chennai based Deekay Electricals - Chennai was set up in 1996 as a partnership firm by Mr. Arun Kumar, Mr. and Mrs. Sunitha . The firm trades in electrical goods such as electrical wiring switch gears cables and other allied products. The company is engaged as a distributor of lighting and other electrical products for companies like Polycabs, Siemens India, EPCOS etc.

About the Group

Hyderabad based Deekay Electricals - Hyderabad was set up in 2008 as a partnership firm by Mr. Arun Kumar and Mr. Atish Kumar Srisimal. The company is engaged in Electricals wholesale and retail.

Bangalore based Deekay Electricals - Bangalore was set up in 2016 as a partnership firm by Mr. Arun Kumar, Mr. Kamal Chand Ostwal, Mrs. Rakhee.H, Mr. Navneet Jhaver. The company is engaged in Electricals wholesale and retail.

Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon.

Not applicable

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon.

Outlook

Not applicable

Key Financials:

The entity has not shared the latest financial statement for Acuite to comment upon.

Status of non-cooperation with previous CRA

Not applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
25 Jan 2023	Proposed Short Term Bank Facility	Short Term	8.00	ACUITE A4+ (Upgraded)
	Bills Discounting	Short Term	15.00	ACUITE A4+ (Upgraded)
30 Jun 2022	Cash Credit	Long Term	12.00	ACUITE BB- (Reaffirmed and Issuer not co-operating*)
	Cash Credit	Long Term	11.00	ACUITE BB- (Reaffirmed and Issuer not co-operating*)
01 Apr 2021	Cash Credit	Long Term	23.00	ACUITE BB- (Downgraded and Issuer not co-operating*)
08 Jan 2020	Cash Credit	Long Term	23.00	ACUITE BB (Reaffirmed and Issuer not co-operating*)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
RBL Bank	Not Applicable	Bills Discounting	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE A4+ Reaffirmed Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE A4+ Reaffirmed Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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