

Press Release
Deshmukh and Company

July 26, 2018

Rating Update



Total Bank Facilities Rated	Rs. 15.00 Cr. #
Long Term Rating	ACUITE BB+ Issuer Not Co-operating*
Short Term Rating	ACUITE A4+ Issuer Not Co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE BB+**' (read as **ACUITE double B plus**) and short term rating of **ACUITE A4+** (read as **ACUITE A four plus**) on the Rs.15.00 crore bank facilities of Deshmukh and Company (DC). This rating is now an indicative rating and is based on best available information.

Non-cooperation by the issuer/borrower:

Acuité has 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 due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <http://acuite.in/view-rating-criteria-4.htm>

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). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Company: DC, established in 1981 by Mr. Balasaheb Deshmukh, is a Maharashtra-based class I A contractor. The firm undertakes construction of buildings, bridges and roads for government authorities such as the Public Works Department (PWD) of Maharashtra, National Highways Authority of India and Pradhan Mantri Gram Sadak Yojana in Maharashtra.

The firm reported Profit after Tax (PAT) of Rs. 5.41 cr on operating income of Rs. 77.47 cr in FY2015-16 as compared with PAT of Rs. 3.94 crore on operating income of Rs.50.83 cr in FY2014-15. The net worth stood at Rs.12.20 crore as on March 31, 2016 as against Rs.7.64 cr in the previous year.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
07-Nov-17	Secured Overdraft	Long Term	3.00	ACUITE BB+ / Stable (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Reaffirmed)
21-Jan-16	Secured Overdraft	Long Term	3.00	ACUITE A4+ (Assigned)
	Bank Guarantee	Short Term	12.00	ACUITE A4+ (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	3.00	ACUITE BB+ Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE A4+ Issuer not co-operating*

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