

Press Release
Deshmukh and Company

April 14, 2022



Rating Reaffirmed and Issuer not co-operating

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|------------------------------------|---------------------|---|--|
| Bank Loan Ratings | 12.00 | - | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank Loan Ratings | 3.00 | ACUITE BB Reaffirmed Issuer not co-operating* | - |
| Total Outstanding Quantum (Rs. Cr) | 15.00 | - | - |
| Total Withdrawn Quantum (Rs. Cr) | 0.00 | - | - |

Rating Rationale

Acuite has reaffirmed the long-term rating to '**ACUITE BB**' (read as **ACUITE double B**) from '**ACUITE BB+**' (read as **ACUITE double B plus**) and review the short-term rating of '**ACUITE A4+**' (read as **ACUITE A four plus**) on the Rs.15.00 crore bank facilities of Deshmukh and Company. The rating continues to be flagged as "Issuer Not-Cooperating" and is downgraded on account of information risk.

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.

Non-cooperation by the issuer/borrower:

Acuite 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 the due date.

This rating continues to be 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.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Rating Sensitivity

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

Liquidity Position

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

Status of non-cooperation with previous CRA

None

Any other information

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

Applicable Criteria

- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

| Date | Name of Instruments/Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|-------------|--------------------------------|------------|-----------------|---|
| 07 Jan 2021 | Bank Guarantee | Short Term | 12.00 | ACUITE A4+ (Issuer not co-operating*) |
| | Secured Overdraft | Long Term | 3.00 | ACUITE BB (Downgraded and Issuer not co-operating*) |
| 15 Oct 2019 | Secured Overdraft | Long Term | 3.00 | ACUITE BB+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 12.00 | ACUITE A4+ (Issuer not co-operating*) |
| 26 Jul 2018 | Secured Overdraft | Long Term | 3.00 | ACUITE BB+ (Issuer not co-operating*) |
| | Bank Guarantee | Short Term | 12.00 | ACUITE A4+ (Issuer not co-operating*) |
| 07 Nov 2017 | Secured Overdraft | Long Term | 3.00 | ACUITE BB+ Stable (Reaffirmed) |
| | Bank Guarantee | Short Term | 12.00 | ACUITE A4+ (Assigned) |
| 21 Jan 2016 | Secured Overdraft | Short Term | 3.00 | ACUITE A4+ (Assigned) |
| | Bank Guarantee | Short Term | 12.00 | ACUITE A4+ (Assigned) |

Annexure - Details of instruments rated

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Rating |
|----------------|----------------|------------------------------------|------------------|----------------|----------------|-------------------|--|
| Bank of Baroda | Not Applicable | Bank Guarantee/Letter of Guarantee | Not Applicable | Not Applicable | Not Applicable | 12.00 | ACUITE A4+ Reaffirmed Issuer not co-operating* |
| Bank of Baroda | Not Applicable | Overdraft | Not Applicable | Not Applicable | Not Applicable | 3.00 | ACUITE BB 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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