

Press Release

Diamond Engineering (Chennai) Private Limited

October 03, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 289.94 Cr.#
Long Term Rating	ACUITE D Issuer not co-operating*
Short Term Rating	ACUITE D 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 D' (read as ACUITE D)** and short term rating of '**ACUITE D' (read as ACUITE D)** on the Rs. 289.94 crore bank facilities of Diamond Engineering (Chennai) Private Limited. 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/view-rating-criteria-17.htm>
- Manufacturing Entities- <https://www.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 Rated Entity:

Diamond Engineering Chennai Private Limited (DECPL), the erstwhile Diamond Engineering, (a partnership firm), is engaged in the fabrication of steel components and structures. The firm was taken over by Mr. P. Mohanraj and Mr. P. Danaraj and converted to private limited in 1997. The company is currently led by Mr. P. Mohanraj, the Managing Director, who possesses experience of over four decades in the fabrication business.

For FY2014-15, DECPL reported net loss of Rs.115.98 crore on operating revenue of Rs.197.16 crore as against net loss of Rs.46.92 crore on operating revenue of Rs.270.82 crore in FY2013-14.

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

None

Any other information

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

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
06-July-17	Cash Credit	Long term	40.79	ACUITE D/ (Indicative)
	Cash Credit	Long term	4.94	ACUITE D/ (Indicative)
	Working Capital Demand Loan	Long term	126.44	ACUITE D/ (Indicative)
	Working Capital Demand Loan	Long term	15.06	ACUITE D/ (Indicative)
	Term Loan	Long term	15.17	ACUITE D/ (Indicative)
	Term Loan	Long term	3.74	ACUITE D/ (Indicative)
	Term Loan	Long term	15.00	ACUITE D/ (Indicative)
	Term Loan	Long term	9.45	ACUITE D/ (Indicative)
	Term Loan	Long term	9.35	ACUITE D/ (Indicative)
	Bills Discounting	Long term	35.00	ACUITE D/ (Indicative)
	Bank Guarantee	Short Term	15.00	ACUITE D/ (Indicative)
23-Mar-16	Cash Credit	Long term	40.79	ACUITE D/ (Assigned)
	Cash Credit	Long term	4.94	ACUITE D/ (Assigned)
	Working Capital Demand Loan	Long term	126.44	ACUITE D/ (Assigned)
	Working Capital Demand Loan	Long term	15.06	ACUITE D/ (Assigned)
	Term Loan	Long term	15.17	ACUITE D/ (Assigned)
	Term Loan	Long term	3.74	ACUITE D/ (Assigned)

	Term Loan	Long term	15.00	ACUITE D/ (Indicative)
	Term Loan	Long term	9.45	ACUITE D/ (Assigned)
	Term Loan	Long term	9.35	ACUITE D/ (Assigned)
	Bills Discounting	Long term	35.00	ACUITE D/ (Assigned)
	Bank Guarantee	Short Term	15.00	ACUITE D/ (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	40.79	ACUITE D Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	4.94	ACUITE D Issuer not co-operating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	126.44	ACUITE A4 Issuer not co-operating*
Working Capital Demand Loan	Not Applicable	Not Applicable	Not Applicable	15.06	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	15.17	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.74	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	9.45	ACUITE D Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	9.35	ACUITE D Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	35.00	ACUITE D Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	15.00	ACUITE D Issuer not co-operating*

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

Contacts

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About Acuite Ratings & Research:

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