

Press Release

Deccan Engineering Constructions Private Limited

November 20, 2018

Rating Update



Total Bank Facilities Rated	Rs. 10.00 Cr. #
Long Term Rating	ACUITE B+ 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.

Acuite has reviewed long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 10.00 crore bank facilities of Deccan Engineering Constructions Private Limited (DECPL). This rating is now an indicative rating and is based on best available information.

DECPL, a Chennai-based civil construction company undertakes construction projects for Central Public Works Department (CPWD) in Tamil Nadu.

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 due date.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Infrastructure Entities - <https://www.acuite.in/view-rating-criteria-14.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-40.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). Acuite endeavoured 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

	Unit	FY16 (Actual)	FY15 (Actual)	FY14 (Actual)
Operating Income	Rs. Cr.	10.57	17.31	6.65
EBITDA	Rs. Cr.	1.23	1.59	0.57
PAT	Rs. Cr.	0.29	0.51	0.27
EBITDA Margin	(%)	11.60	9.16	8.63
PAT Margin	(%)	2.74	2.93	4.13
ROCE (%)	(%)	12.96	18.35	18.16
Total Debt/Tangible Net Worth	Times	1.31	1.27	1.07
PBDIT/Interest	Times	1.80	2.37	2.03
Total Debt/PBDIT	Times	3.93	2.95	5.44
Gross Current Assets (Days)	Days	286	179	384

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
24-Oct-2017	Bank Guarantee	Short Term	4.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Loan	Long Term	0.20	ACUITE B+ / Stable (Reaffirmed)
	Secured Overdraft	Long Term	4.00	ACUITE B+ / Stable (Reaffirmed)
	Bank Guarantee	Short Term	1.80	ACUITE A4 (Reaffirmed)
03-Jun-2016	Secured Overdraft	Long Term	4.00	ACUITE B+ / Stable (Assigned)
	Bank Guarantee	Short Term	4.00	ACUITE A4 (Assigned)
	Proposed Secured Overdraft	Long Term	2.00	ACUITE B+ / Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.20	ACUITE B+ Issuer not co-operating*
Overdraft	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE B+ Issuer not co-operating*
Bank guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	1.80	ACUITE A4 Issuer not co-operating*

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

Contacts

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and 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. Since then, it has assigned more than 6,000 credit 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 Mumbai.

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