

Press Release
Phoenix Engineering

August 01, 2018

Rating Update



Total Bank Facilities Rated*	Rs. 8.10 Cr.
Long Term Rating	ACUITE B Issuer not co-operating*
Short Term Rating	ACUITE A4 Issuer not co-operating*

* Refer Annexure for details

Rating Rationale

ACUITE has reviewed rating long-term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) to the Rs. 8.10 crore bank facilities of Phoenix Engineering. 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.

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 endeavored 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.

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

About the rated entity: Phoenix Engineering (PE), established in 1984 is a Nagpur-based partnership firm engaged in civil construction. The firm is a Class 'A' contractor promoted by Ms. Prema Patil and Mr. Sunil Patil. PE undertakes construction for government bodies such as Nagpur Municipal Corporation, National Highway Division (Nagpur) apart from fabrication contracts.

For FY2015-16, the firm reported profit after tax (PAT) of Rs.0.78 crore on operating income of Rs.13.52 crore as compared with net profit of Rs.0.86 crore on operating income of Rs.15.13 crore in FY2014-15. The net worth stood at Rs.3.12 crore as on 31 March, 2016 as against Rs.3.86 crore a year earlier.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>

Rating History (Upto last three years)

Date	Facilities	Amount (Rs. Crore)	Ratings		Rating Outlook
			Long Term	Short Term	
29 May, 2017	Cash Credit	4.00	ACUITE B (Assigned)	-	Stable
	Bank Guarantee	4.10	-	ACUITE A4 (Assigned)	-

Annexures – 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	4.10	ACUITE B Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	4.00	ACUITE A4 Issuer not co-operating*

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About Acuite Ratings & Research:

Acuite 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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