

February 16, 2022

Desein Private Limited: Continues to remain in Non-Cooperating category, Rating downgraded based on best available information

Summary of rating action

Instrument [^]	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based- Cash Credit	3.00	3.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B+(Stable) and Continues to remain under ‘Issuer Not Cooperating’ category.
Short Term Non-Fund Based Limits	15.00	15.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]A4 and Continues to remain under ‘Issuer Not Cooperating’ category.
Long Term / short Term – Unallocated	5.00	5.00	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]B+(Stable)/ [ICRA]A4 and Continues to remain under ‘Issuer Not Cooperating’ category.
Total	23.00	23.00	

*Issuer did not cooperate; based on best available information.

[^]Instrument details are provided in Annexure-1

Rationale

Material event

The Corporate Insolvency of Desein Private Limited was ordered by National Company Law Tribunal. The public announcement was issued by Insolvency and Bankruptcy Board of India (IBBI) on February 04, 2022. The IBBI has mentioned July 28, 2022 as the estimated date for closure of insolvency resolution process.

Impact of material event

The rating is based on limited information on the entity’s performance since the time it was last rated on May 2021. The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity’s management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers’ performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA’s policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#). ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology Policy in respect of non-cooperation by the rated entity Policy on Default Recognition
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 1965 by Late Mr. O P Gupta, DPL provides engineering consultancy services for coal/lignite/diesel as well as gas-based combined cycle power plants with unit sizes ranging up to 800 MW in both India and overseas. Its range of services includes feasibility and detailed project report, design and engineering, procurement assistance, project/construction management, inspection and expediting, supervision of construction, erection, testing and commissioning, operation and maintenance (O&M), turnkey contracting. Environmental Impact Assessment (EIA) studies, renovation and modernization of existing plants etc. DPL operates from its offices located in Delhi, Hyderabad, Kolkata and Bangalore.

DPL has a vast experience of working with various private and Government clients in the power sector. It has executed more than 38,000 MW of capacity domestic power plants for various state electricity boards as well as various industries in most states in India.

Status of non-cooperation with previous CRA: NA

Any other information: None

Rating history for past three years

Instrument	Current Rating (FY2022)				Chronology of Rating History for the past 3 years			
	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. Crore)	Date & Rating in		Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
				16-Feb-2022	21-May-2021			
1 Cash credit	Long Term	3.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+ (Stable); ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)	[ICRA]BB+ (Stable)
2 Non-Fund based	Short term	15.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]A4	[ICRA]A4+
3 Unallocated	Long Term/ Short Term	5.00	-	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING	[ICRA]B+ (Stable)/[ICRA]A4; ISSUER NOT COOPERATING	-	[ICRA]BB (Stable)/ [ICRA]A4	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash credit	Simple
Non-Fund based	Very Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analyzing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website www.icra.in

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash credit	-	-	-	3.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non-Fund based	-	-	-	15.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	5.00	[ICRA]D/ [ICRA]D; ISSUER NOT COOPERATING

Source: Desein Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not applicable.

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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