

Deccan Cements Limited

June 08, 2018

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Term Loan	3.44	3.44	[ICRA]A (Stable); Withdrawn
Unallocated Limits	0.56	0.56	[ICRA]A (Stable); Withdrawn
Total	4.00	4.00	

*Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the long -term rating of [ICRA]A (pronounced ICRA A) with stable outlook assigned to the Rs. 3.44-crore¹ term loans and Rs. 0.56-crore unallocated limits of Deccan Cements Limited (DCL)².

Rationale

The rating is withdrawn as the company has fully repaid the term loan facility and there is no amount outstanding against it. The rating withdrawal is in accordance with ICRA's policy on withdrawal and suspension, and at the request of the company.

Analytical approach: For withdrawal of the rating, ICRA has followed its withdrawal policy as indicated below.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Ratings](#)

About the company:

DCL is promoted by Mr. MB Raju and his associates. The promoters hold around 56% of the company's equity. DCL's plant, which commenced commercial production in 1982 with an installed capacity of 66,000 MTPA (metric tonne per annum), has gradually seen an increase in capacity with the company reaching capacity of 1,800,000 MT by FY2010 and 2,250,000 MT by FY2013. The company has also set up a hydel power plant in AP, two windmills in AP and a captive thermal power plant of 18 MW (which commenced operations in March, 2009).

In FY2018, the company reported a net profit of Rs. 38.55 crore on an operating income of Rs. 574.20 crore, as compared to a net profit of Rs. 46.60 crore on an operating income of Rs. 558.66 crore in the previous year. Status of non-cooperation with previous CRA: Not applicable

¹ 100 lakh = 1 crore = 10 million

² For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications

Any other information: None

Rating history for last three years:

Current Rating (FY2019)					Chronology of Rating History for the Past 3 Years				
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating June 2018	Date & Rating in FY2018 November 2017	Date & Rating in FY2017 July 2016	Date & Rating in FY2016 June 2016	Date & Rating in FY2015 December 2015	
1	Term Loan	3.44	-	[ICRA]A (Stable) Withdrawn	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]A (Stable)	[ICRA]BBB+ (Stable)	
2	Unallocated Limits	0.56	-	[ICRA]A (Stable) Withdrawn	[ICRA]A (Stable)	[ICRA]A (Stable) Withdrawn	[ICRA]A (Stable) Placed on notice of withdrawal	[ICRA]BBB+ (Stable)	
3	Non-fund Based Limits	-	-	-	-	[ICRA]A1 Withdrawn	[ICRA]A1 Placed on notice of withdrawal	[ICRA]A2+	
4	Cash Credit	-	-	-	-	[ICRA]A (Stable) Withdrawn	[ICRA]A (Stable) Placed on notice of withdrawal	[ICRA]BBB+ (Stable)	

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the 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	Term Loan		NA	NA	3.44	[ICRA]A (Stable) Withdrawn
NA	Unallocated Limits	-	-	-	0.56	[ICRA]A (Stable) Withdrawn

Source: Deccan Cements Limited.

ANALYST CONTACTS

Sabyasachi Majumdar
+91 124 4545 304
sabyasachi@icraindia.com

Anupama Reddy
+91 40 40676516
anupama.reddy@icraindia.com

RELATIONSHIP CONTACT

Jayanta Chatterjee
+91 80 4332 6401
jayantac@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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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

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
Ahmedabad+ (91 79) 2658 4924/5049/2008
Hyderabad + (91 40) 2373 5061/7251
Pune + (91 20) 6606 9999

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