

## Press Release

### Brickwork Ratings assigns 'BWR BB-' and 'BWRA4' for the Bank Loan Facilities of ₹ 6.45 Cr of Archee Group Contracts Pvt. Ltd.

Brickwork Ratings (BWR) has assigned the following **Ratings**<sup>1</sup> for the Bank Credit Facilities of ₹ 6.45 Cr of Archee Group Contracts Pvt. Ltd.

Facility	Tenure	Amount (₹ Cr)	Rating
OCC	Long Term	4.95	<b>BWR BB- (BWR Double B Minus)</b>  <b>(Outlook: Stable)</b>
BG	Short Term	1.50	<b>BWR A4 (BWR A Four)</b>
<b>Total</b>		<b>6.45 ( INR Six Crores Forty Five Lakhs only)</b>	

The rating has factored, inter alia, the promoter's experience in interior designing business, growth in revenue and healthy operating margins. However the rating is constrained by stretched working capital cycle, moderately high leverage position of the Firm, small scale of operations and uncertainty in revenue streams due to contract nature of business.

Archee Group was established as a Proprietorship firm in 1997 and was converted into Archee Group Contracts Pvt Ltd Company in 2011. The Company is promoted by Mrs. Monika Dhaka, Mr. Nitin Sahjwani and Mr. Abhishek Dhaka. The company provides Turnkey Interior Designing solution for Corporate Interiors and Academic Institutions. The group is headed by professionally trained architects. The company also employs qualified consultants to cater to different needs of the client. The company has AC consultant, Structural consultant, Electrical consultant, Space management consultant, financial consultant and Associates.

The revenue from operations shows an increasing trend from ₹ 6.27 Crores in FY9 to ₹ 16.95 Crores in FY12 and further to ₹ 26.36 Crores in FY13 as per the provisional financial provided by the company. The Operating margins in FY12 stood at 6.67% and the net profit margin stood at 3.79%. The Companies tangible net worth stood at ₹ 1.53 Crores as on 31<sup>st</sup> March'12. Also, the receivables are high because of which the Company has a stretched working capital cycle.

<sup>1</sup> Please refer to [www.brickworkratings.com](http://www.brickworkratings.com) for definition of the Ratings

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The ability of the Company to increase and sustain its topline and profitability and efficiently manage its working capital requirement remains the key sensitivities.

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