November 12, 2021

Prism Johnson Limited: Rating Withdrawn

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-Convertible Debentures^	50.00	50.00	[ICRA]A+ (Stable); Withdrawn
Total	**50.00**	**50.00**	

^Instrument details are provided in Annexure-1 ; ^NCD of erstwhile Silica Ceramica Private Limited transferred to Prism Johnson Limited, post amalgamation

Rationale

ICRA has withdrawn the rating assigned to the Non-Convertible Debentures (NCD) programme of Prism Johnson Limited at the request of the company as the rated instrument has been fully redeemed and in accordance with ICRA's policy on withdrawal of credit rating. Also, ICRA does not have information to suggest that the credit profile has changed since the time the rating was last reviewed. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instrument is being withdrawn.

The previous detailed rating rationale is available at the following link: **Click here**

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal of Credit Ratings Corporate Credit Rating Methodology Rating Methodology for Entities in the Cement Industry
Parent/Group Support	Not Applicable
Consolidation/Standalone	ICRA has considered the consolidated financials of PJL. List of entities forming part of PJL's consolidated financials are enlisted in Annexure-2

About the company

Prism Johnson Limited, promoted by the Rajan Raheja Group, was incorporated in 1992. It has been involved in the manufacturing and sales of cement since 1997. The company's cement division operates two units, both based in Satna, Madhya Pradesh, with a combined installed cement manufacturing capacity of 5.6 MTPA. It caters to the major markets of Uttar Pradesh, Madhya Pradesh and Bihar. In FY2010, PJL amalgamated H&R Johnson (India) Limited and RMC Readymix (India) Private Limited with itself. Post amalgamation, PJL has been operating with three divisions, namely cement, HRJ and RMC. The HRJ division operates with a total installed capacity of ~60 million sqm from 11 manufacturing plants (including JVs) and RMC division operates with a total installed capacity of 10.5 million cum. (across 96 plants in 44 locations).

Key financial indicators

Prism Johnson Limited (Consolidated)	FY2020	FY2021
Operating Income (Rs. crore)	5954.5	5587.1
PAT (Rs. crore)	-27.9	136.1
OPBDIT/OI (%)	9.6%	11.1%
RoCE (%)	-0.5%	2.4%
Total Outside Liabilities/Tangible Net Worth (times)	3.7	3.0
Total Debt/OPBDIT (times)	4.2	3.1
Interest Coverage (times)	2.2	3.0

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation;

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2022)					Rating History for the Past 3 Years				
		Type	Amount Rated	Amount Outstanding as on Oct 30, 2021	Date & Rating		FY2021		FY2020	FY2019	
					12– Nov -2021	18-Jun-2021	18-Sep-2020	15-Jul-2020	26-Aug-2019	13-Nov-2018	28-Aug-2018
1	NCD Programme 1	Long term	50.0	0.0	[ICRA] A+ (Stable); Withdrawn	[ICRA] A+ (Stable); Assigned	-	-	-	-	-
2	NCD Programme 2	Long-Term	-	-	-	-	-	[ICRA]A-%; placed on watch with positive implications and withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
3	NCD Programme 3	Long-Term	-	-	-	-	-	[ICRA]A-%; placed on watch with positive implications and withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
4	NCD Programme 4	Long-Term	-	-	-	-	[ICRA]A-%; withdrawn	[ICRA]A-%; placed on watch with positive implications	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
5	Fund-based – Term Loan	Long-Term	-	-	-	-	[ICRA]A-%; withdrawn	[ICRA]A-%; placed on watch with positive implications	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
6	Fund-based – Working Capital Facilities	Long-Term	-	-	-	-	[ICRA]A-%; withdrawn	[ICRA]A-%; placed on watch with positive implications	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
7	Fund-based – Working Capital Facilities	Short-Term	-	-	-	-	[ICRA]A1; withdrawn	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1
8	Non-fund based – Working Capital Facilities	Short-Term	-	-	-	-	[ICRA]A1; withdrawn	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1
9	Fund-based – Working Capital Facilities	Long-Term/Short-Term	-	-	-	-	[ICRA]A-%/[ICRA]A1; withdrawn	[ICRA]A-%; placed on watch with positive implications; [ICRA]A1	[ICRA]A-(Stable)/[ICRA]A1	[ICRA]A-(Stable)/ [ICRA]A1	[ICRA]A-(Stable)/ [ICRA]A1
10	Non-fund based – Working Capital Facilities	Long-Term/Short-Term	-	-	-	-	[ICRA]A-%/[ICRA]A1; withdrawn	[ICRA]A-%; placed on watch with positive implications; [ICRA]A1	[ICRA]A-(Stable)/ [ICRA]A1	[ICRA]A-(Stable)/ [ICRA]A1	[ICRA]A-(Stable)/ [ICRA]A1

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-Convertible Debentures	Moderately Complex

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 analysing 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
INE214W08018	NCD	Sept 14, 2018	MIBOR+4.75%	Sept 2021	50.00	[ICRA]A+(Stable); Withdrawn

Source: Company

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership^	Consolidation Approach
Raheja QBE General Insurance Company Limited	51%	Full Consolidation
H. & R. Johnson (India) TBK Limited	100%	Full Consolidation
TBK Venkataramiah Tile Bath Kitchen Private Limited	100%	Full Consolidation
TBK Samiyaz Tile Bath Kitchen Private Limited	100%	Full Consolidation
TBK Rangoli Tile Bath Kitchen Private Limited	100%	Full Consolidation
RMC Readymix Poselano (India) Limited	100%	Full Consolidation
TBK Prathap Tile Bath Kitchen Private Limited	98%	Full Consolidation
Sentini Cermica Private Limited	50%	Full Consolidation
Spectrum Johnson Tiles Private Limited	50%	Full Consolidation
Antique Marbonite Private Limited	50%	Full Consolidation
Small Johnson Floor Tiles Private Limited	50%	Full Consolidation
Coral Gold Tiles Private Limited	50%	Full Consolidation
Sanskar Ceramics Private Limited	50%	Full Consolidation
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	Equity Method
TBK Florance Ceramics Private Limited	50%	Equity Method
Ardex Endura (India) Private Limited	50%	Equity Method
CSE Solar Parks Satna Private Limited	27.95%	Equity Method
Sunspring Solar Private Limited	27%	Equity Method

Source: PJL; ^As on Mar 31, 2021

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About ICRA Limited:

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