Prism Cement Limited

December 21, 2017

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non Convertible Debenture Programme	110.00	110.00	[ICRA]A- (Stable); Withdrawn
Non Convertible Debenture Programme	450.00	450.00	[ICRA]A- (Stable); Outstanding
Fund-based – Term Loan	1,080.50	1,080.50	[ICRA]A- (Stable); Outstanding
Fund-based – Working Capital Facilities	297.90	297.90	[ICRA]A- (Stable); Outstanding
Fund-based – Working Capital Facilities	80.00	80.00	[ICRA]A1; Outstanding
Non-fund based – Working Capital Facilities	192.00	192.00	[ICRA]A1; Outstanding
Fund-based – Working Capital Facilities	40.00	40.00	[ICRA]A- (Stable) / [ICRA]A1; Outstanding
Non-fund based – Working Capital Facilities	110.00	110.00	[ICRA]A- (Stable) / [ICRA]A1; Outstanding
Total	**2,360.40**	**2,250.40**	

* Instrument details are provided in Annexure-1

Rating action

ICRA has withdrawn the [ICRA]A- (pronounced ICRA A minus) rating, with Stable outlook, assigned to the Rs. 110.00 crore[1] non convertible debenture (NCD) programme of Prism Cement Limited ('PCL')[2].

Rationale

The rating has been withdrawn as the instruments have been fully redeemed on maturity. There is no amount outstanding against the rated instruments.

Key rating drivers

Not applicable.

Analytical approach: For arriving at the ratings, ICRA has followed its withdrawal policy as indicated below.

Links to applicable criteria:

[ICRA Policy on Withdrawal and Suspension of Credit Rating]

[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*

About the company

Prism Cement Limited, promoted by the Rajan Raheja Group, was incorporated in 1992. It has been engaged 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 7.0 MTPA (saleable). It caters to the major markets of Uttar Pradesh, Madhya Pradesh and Bihar. In FY2010, PCL amalgamated H & R Johnson (India) Limited and RMC Readymix (India) Private Limited with itself. Post amalgamation, PCL has three divisions, namely cement, TBK and RMC.

During FY2017, PCL reported profit after tax (PAT) of Rs. 14.25 crore on an operating income (OI) of Rs. 5,011.32 crore, as compared to an adjusted PAT of Rs. 25.26 crore on an OI of Rs. 5,223.10 crore during FY2016.

Key Financial Indicators (Audited)

Consolidated	FY2016	FY2017
Operating Income (Rs. crore)	5,223.10	5,011.32
PAT (Rs. crore)	25.26	14.25
OPBDIT/ OI (%)	6.75%	7.18%
RoCE (%)	9.44%	8.24%
Total Debt/ TNW (times)	1.77	1.57
Total Debt/ OPBDIT (times)	6.27	5.50
Interest coverage (times)	1.23	1.63
NWC/ OI (%)	9%	5%

OI: Operating Income; PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net-Worth + Deferred Tax Liability - Capital Work-in-Progress); NWC: Net Working Capital

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	Current Rating (FY2018) Date & Rating December 2017	November 2017	Chronology of Rating History for the past 3 years: Date & Rating in FY2017 November 2016	Date & Rating in FY2016 September 2015	Date & Rating in FY2015 November 2014
1	NCD Programme	Long-Term	110.00	0.00	Withdrawn	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
2	NCD Programme	Long-Term	450.00	450.00	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
3	Fund-based – Term Loan	Short Term	1,080.50	-	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
4	Fund-based – Working Capital Facilities	Long-Term	297.90	-	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)	[ICRA]A- (Stable)
5	Fund-based – Working Capital Facilities	Short-Term	80.00	-	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1
6	Non-fund based – Working Capital Facilities	Short-Term	192.00	-	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A1
7	Fund-based – Working Capital Facilities	Long-Term / Short-Term	40.00	-	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1
8	Non-fund based – Working Capital Facilities	Long-Term / Short-Term	110.00	-	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1	[ICRA]A- (Stable) / [ICRA]A1
9	Commercial Paper	Short-Term	-	-	-	-	Withdrawn	[ICRA]A1	[ICRA]A1

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
INE010A07141	NCD 1	26-Nov-2014	11.70%	25-Nov-2019	100.00	[ICRA]A- (Stable)
INE010A07166	NCD 2	21-Jan-2015	Zero Coupon (YTM^: 9.80%)	26-Apr-2018	50.00	[ICRA]A- (Stable)
INE010A07174	NCD 3	03-Feb-2015	11.00%	25-Apr-2018	50.00	[ICRA]A- (Stable)
INE010A07190	NCD 4	21-Jan-2015	10.75%	21-Jan-2020	150.00	[ICRA]A- (Stable)
INE010A08040	NCD 5	15-Sep-2015	SBI Base Rate - 0.30%	14-Sep-2018	100.00	[ICRA]A- (Stable)
-	Term Loan	-	9%-11%	Various; upto Dec 2020	1,080.50	[ICRA]A- (Stable)
-	Fund-based Bank Facilities	-	-	-	297.90	[ICRA]A- (Stable)
-	Fund-based Bank Facilities	-	-	-	80.00	[ICRA]A1
-	Non-fund Based Bank Facilities	-	-	-	192.00	[ICRA]A1
-	Fund-based Bank Facilities	-	-	-	40.00	[ICRA]A- (Stable) / [ICRA]A1
-	Non-fund Based Bank Facilities	-	-	-	110.00	[ICRA]A- (Stable) / [ICRA]A1

Note: ^ YTM: Yield to Maturity *Source: Prism Cement Limited*

ANALYST CONTACTS

Subrata Ray
+91 22 6114 3408
subrata@icraindia.com

Shreekiran Rao
+91 22 6114 3469
shreekiran.rao@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

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

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

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

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) 66069999

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents