February 24, 2020

Shree Krishna Paper Mills & Industries Limited: Ratings withdrawn

Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based	25.00	25.00	[ICRA]BB (Stable); Rating Withdrawn
Short Term – Non-fund Based	12.00	12.00	[ICRA]A4+ ; Rating Withdrawn
Total	**37.00**	**37.00**	

**Instrument details are provided in Annexure-1*

Rationale

The long-term and short-term ratings assigned to the bank loans of Shree Krishna Paper Mills & Industries Limited (SKPMIL[1]) have been withdrawn in accordance with ICRA's policy on withdrawal and suspension, at the request of the company and based on the no-objection certificates provided by its bankers. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

Key rating drivers and their description

Not captured as the ratings have been withdrawn

Rating sensitivities: Not Applicable

Liquidity Position: Not Applicable

Analytical Approach

	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation / Standalone	Not applicable

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

About the company

Shree Krishna Paper Mills & Industries Limited (SKPMIL) was incorporated by the Pasari Group in 1972. The company manufactures newsprint, and printing and writing paper (PWP) at its Kotputli (Rajasthan) unit, which has an installed capacity of 38,000 MTPA. SKPMIL, however, is shifting its 14,000-MTPA manufacturing capacity for coated paper and TSP from the Bahadurgarh (Haryana) unit to the Kotputli unit. The erstwhile coated paper manufacturing unit at Bahadurgarh was acquired from Bansal Paper Mills in 1974, while the PWP unit at Kotputli was commissioned in FY2006.

Key financial indicators (audited):

	FY2018 Audited	FY2019 Audited	9M FY2020 Provisional
Operating Income (Rs. crore)	136.36	142.61	73.40
PAT (Rs. crore)	0.62	4.50	-4.85
OPBDIT/OI (%)	1.44%	7.99%	-1.95%
RoCE (%)	11.27%	19.84%	-
Total Outside Liabilities/Tangible Net Worth (times)	2.08	1.92	-
Total Debt/OPBDIT (times)	10.55	1.88	-
Interest Coverage (times)	0.64	4.08	-0.64
DSCR	2.32	3.07	-

Source: Company and BSE website

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years					
		Type	Amount Rated	Amount Outstanding	Date & Rating	Date & Rating in FY2019		Date & Rating in FY2017			Date & Rating in FY2015
			(Rs. crore)	(Rs. crore)	24-February-2020	15-January-2019	03-April-2018	22-March-2017	09-September-2016	06-April-2016	30-March-2015
1	Fund Based-Cash Credit	Long Term	25.00	-	[ICRA]BB (Stable); Rating Withdrawn	[ICRA]BB (Stable)	[ICRA]BB-(Stable)	[ICRA]BB-(Stable)	[ICRA]BB-(Stable)	[ICRA]D	[ICRA]C+
2	Non-Fund Based-Letter of Credit	Short Term	9.00	-	[ICRA]A4+; Rating Withdrawn	[ICRA]A4+	[ICRA]A4	[ICRA]A4	[ICRA]A4	[ICRA]D	[ICRA]A4
3	Non-Fund Based-Bank Guarantee	Short Term	3.00	-	[ICRA]A4+; Rating Withdrawn	[ICRA]A4+	[ICRA]A4	[ICRA]A4	[ICRA]A4	[ICRA]D	[ICRA]A4

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	Cash Credit	NA	NA	NA	25.00	[ICRA]BB (Stable) ; Rating Withdrawn
NA	Letter of Credit	NA	NA	NA	9.00	[ICRA]A4+; Rating Withdrawn
NA	Bank Guarantee	NA	NA	NA	3.00	[ICRA]A4+; Rating Withdrawn

Source: Shree Krishna Paper Mills & Industries Limited

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
NA	NA	NA

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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.

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For more information, visit www.icra.in

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