

January 05, 2021

Ananda Vikatan Publishers Private Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long term - Fund Based - CC	9.00	9.00	[ICRA]BB+ (Negative); withdrawn
Total	9.00	9.00	

*Instrument details are provided in Annexure-1

Rationale

The rating assigned to Ananda Vikatan Publishers Private Limited (AVPPL) has been withdrawn at the request of the company and based on the confirmation from the banker, and in accordance with ICRA's policy on withdrawal and suspension. ICRA does not have incremental information to suggest that the credit risk has changed since the time the rating was last reviewed.

The previous detailed rating rationale is available on the following link: [Click here](#)

Key rating drivers and their description:

Key Rating drivers have not been captured as the rating is being withdrawn

Liquidity position:

Liquidity position has not been captured as the rating is being withdrawn

Rating sensitivities:

Rating sensitivities have not been captured as the rating is being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Ratings Corporate Credit Rating Methodology
Parent/Group Support	Not Applicable
Consolidation/Standalone	The ratings are based on standalone financial profile of the company.

About the company

AVPPL is a magazine publisher based in Chennai. The company has eleven magazines in its portfolio covering varied areas including entertainment, health, agriculture, automobile, investigative journalism, business and finance. It derives a major portion of its revenues from Tamil Nadu. Ananda Vikatan, the company's flagship magazine, is very well known in the Tamil magazine space.

The magazine publication business of the Ananda Vikatan Group was earlier under Vasan Publications Private Limited (VSPL), which was incorporated in 1946 and traces its origins to 1926, when it was promoted by Mr. Puthur Vaithyanatha Iyer. VSPL was involved in printing and publishing of magazines till 2014. Post a business restructuring arrangement, the publishing business (excluding printing) of VSPL was spun off into a separate company, Ananda Vikatan Publishers Private Limited, an entity which was incorporated in 2014.

Apart from AVPPL, the promoters have interest in other companies that are involved in allied businesses such as television serial and movie production, printing, advertisement gathering and publishing e-versions of AVPPL's magazines.

Key financial indicators (Audited)

	FY2018	FY2019
Operating Income (Rs. crore)	65.6	55.0
PAT (Rs. crore)	0.3	0.4
OPBDITA/OI (%)	1.8%	4.2%
RoCE (%)	8.5%	10.8%
Total Debt/Tangible Net Worth (times)	6.0	5.4
Total Debt/OPBDITA (times)	8.1	5.1
Interest Coverage (times)	2.9	2.4

Source: AVPPL

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2021)				Rating History for the Past 3 Years			
		Type	Amount Rated	Amount Outstanding (as on March 31, 2020)	Rating		FY2020	FY2019	FY2018
					Jan-05-2021	Apr-03-2020	Sep-30-2019	-	Mar-30-2018
1	Fund based – Cash Credit	Long Term	9.00	*	[ICRA]BB+ (Negative); withdrawn	[ICRA]BB+ (Negative)	[ICRA]BB+ (Negative)	-	[ICRA]BBB (Stable)

Source: AVPPL, Amount in Rs. crore; * - Data not available

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	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund based – Cash Credit	NA	NA	NA	9.00	[ICRA]BB+ (Negative); withdrawn

Source: AVPPL

Annexure-2: List of entities considered for consolidated analysis: Not applicable

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