

February 7, 2012

**CARE ASSIGNS 'CARE B+' RATING TO THE LONG-TERM BANK FACILITIES OF  
WHITEGOLD MERCANTILE CO. PVT. LTD.**

**Rating**

<b>Facilities</b>	<b>Amount (Rs. crore)</b>	<b>Rating<sup>1</sup></b>	<b>Remarks</b>
Long-term Bank Facilities	13.88	<b>'CARE B+'(Single B Plus)</b>	Assigned

**Rating Rationale**

The rating is constrained by relatively small scale of operations of Whitegold Mercantile Co. Pvt. Ltd. (WMCPL) with low profitability, below average financial risk profile marked by moderately high gearing level & stretched working capital cycle and competition from private dairies and co-operatives.

These factors far offset the benefits derived from the experienced promoters and their financial support in the past.

The ability of WMCPL to improve the scale of operations and profitability as well as overall financial risk profile and efficient management of working capital cycle are the key rating sensitivities.

**Background**

Whitegold Mercantile Company Pvt. Ltd. (WMCPL), incorporated in 2004, is a private limited company. WMCPL is part of the Dwarka group of companies and is engaged in the business of processing milk. Mr. Kapil Rajput is the Managing Director of the company. WMCPL has an installed capacity of 100,000 litres per day as on March 31, 2011 at its manufacturing facility located at Dewhadi, Bhandara in Maharashtra.

---

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

During FY11 (refers to April 1 to March 31), WMCPL reported a total income of Rs.67.97crore and a PAT of Rs.1.58 crore as against a total income of Rs.49.91crore and a PAT of Rs. 0.19 crore in FY10.

**Analyst Contact**

Name: Girish Patil

Tel # 6754 3411

Mobile # 9820949800

Email: [girish.patil@careratings.com](mailto:girish.patil@careratings.com)

*CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries /regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.*

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

“Credit Analysis and Research Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus (“DRHP”) with the Securities and Exchange Board of India (the “SEBI”). The DRHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) as well as on the websites of the Book Running Lead Managers at [www.investmentbank.kotak.com](http://www.investmentbank.kotak.com), [www.dspml.com](http://www.dspml.com), [www.edelcap.com](http://www.edelcap.com), [www.icicisecurities.com](http://www.icicisecurities.com), [www.idbicapital.com](http://www.idbicapital.com), and [www.sbcaps.com](http://www.sbcaps.com). Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled “Risk Factors” of the DRHP.”

**[“This press release is not for publication or distribution to persons in the United States, and is not an offer for sale within the United States of any equity shares or any other security of Credit Analysis and Research Limited. Securities of Credit Analysis and Research Limited, including its equity shares, may not be offered or sold in the United States absent registration under U.S. securities laws or unless exempt from registration under such laws.”]**

CARE is headquartered in Mumbai, with Offices all over India. The office addresses and contact numbers are given below:

**HEAD OFFICE: MUMBAI**

**Mr. D.R. Dogra**

Managing Director

Mobile : +91-98204 16002

E-mail : dr.dogra@careratings.com

**Mr. Suryanarayan Iyer Rangaswamy**

Senior Vice President – Marketing

Mobile: +91 9867365827

mail: [R.Suryanarayan@careratings.com](mailto:R.Suryanarayan@careratings.com)

**Mr. Rajesh Mokashi**

Dy. Managing Director

Mobile +91-98204 16001

E-mail: rajesh.mokashi@careratings.com

**Mr. Saikat Roy**

Senior Vice President - Marketing

Mobile- +91 9820998779

Email saikat.roy@careratings.com

**Mr. Ankur Sachdeva**

Vice President – Marketing (SME)

Mobile: +91-9819698985

E-mail: [ankur.sachdeva@careratings.com](mailto:ankur.sachdeva@careratings.com)

4<sup>th</sup> Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway,  
Sion (East), **Mumbai 400 022** Tel.: (022) 67543456 Fax: (022) 67543457

**Website: [www.careratings.com](http://www.careratings.com)**

**OFFICES**

<p>Mr.Mehul Pandya Regional Manager 32 TITANIUM Prahaldnagar Corporate Road, Satellite, <b>Ahmedabad - 380 015.</b> Tel – 079 4026 5656 Mobile - +91 98242 56265 E-mail: mehul.pandya@careratings.com</p>	<p>Mr. Dinesh Sharma Regional Manager Unit No. 8, I floor, Commander's Place No. 6, Raja Ram Mohan Roy Road, Richmond Circle, <b>Bangalore - 560 025.</b> Tel – 080 2211 7140 Mobile – +91 9900041975 E-mail: dinesh.sharma@careratings.com</p>
<p>Mr. Pradeep Kumar Regional Manager Unit No. O-509/C, Spencer Plaza, 5th Floor, No. 769, Anna Salai, <b>Chennai 600 002</b> Tel: 044 2849 7812/2849 0811 Mobile – +91 98407 54521 E-mail :Pradeep.kumar@careratings.com</p>	<p>Mr. Ashwini Jani Regional Manager 401, Ashoka Scintilla 3-6-520, Himayat Nagar <b>Hyderabad - 500 029</b> Tel – 040 40102030 Mobile – +91 91600 74789 E-mail: ashwini.jani@careratings.com</p>
<p>Mr. Sukanta Nag Regional Manager 3<sup>rd</sup> Floor, Prasad Chambers (Shagun Mall Building) 10A, Shakespeare Sarani <b>Kolkata - 700 071.</b> Tel – 033 4018 1600/1601/1602 Mobile – +91 98311 70075 E-mail: sukanta.nag@careratings.com</p>	<p>Ms.Swati Agrawal Regional Manager 3rd floor, B-47, Inner Circle Near Plaza Cinema Connaught Place <b>New Delhi - 110 001.</b> Tel – 011 2331 8701/2371 6199 Mobile – +91 98117 45677 E-mail :swati.agrawal@careratings.com</p>