

Panyam Cements and Mineral Industries Limited
 December 22, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn
Total Facilities	0.00 (Rs. Zero only)		
Non-Convertible Debentures	-	-	Withdrawn
Total Instruments	0.00 (Rs. Zero only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding rating of 'CARE D; Issuer Not Cooperating' [Single D; ISSUER NOT COOPERATING] assigned to the bank facilities of Panyam Cements and Mineral Industries Limited with immediate effect. The above action has been taken as the company is under the Corporate Insolvency Resolution Process (CIRP) as ordered by the Hon'ble National Company Law Tribunal (NCLT), Amaravati Bench vide order no. 187/7/AMR/2019 pronounced on May 14, 2020 under the Insolvency & Bankruptcy Code. Therefore, it may no longer be useful or necessary for CARE to maintain a rating on the rated entity's debt obligations.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of Ratings](#)

About the Company

Panyam Cements & Mineral Industries Limited (PCMIL), incorporated in June 1955, is part of Nandi Group of Industries based out of Nandyal in Andhra Pradesh. PCMIL was engaged in manufacturing of Ordinary Portland Cement (OPC) 53 grade & 43 grade and Pozzolona Portland cement (PPC) with installed capacity of 1 million tons per annum (MTPA) at its manufacturing facilities located at Kurnool District, Andhra Pradesh.

The Honorable NCLT court has appointed Shri Bhruvish Rameshchandra Amin C/o BDO Restructuring Advisory LLP, BDO India LLP, as Interim Resolution Professional. He is directed to take charge of the Corporate Debtor's management forthwith and take necessary steps in furtherance of the Corporate Insolvency Resolution Process (CIRP) in terms of sections 13 (2), 15,17, 18 and 20 of the code and Rules made thereunder.

Financials

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	180.22	82.28
PBILDT	11.54	-14.70
PAT	-31.44	-67.39
Overall gearing (times)	NM	NM
Interest coverage (times)	0.34	NM

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantees	-	-	-	-	0.00	Withdrawn
Debentures-Non Convertible Debentures	INE167EO7018				0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE D; ISSUER NOT COOPERATING * (29-Apr-20)	-	1)CARE D; ISSUER NOT COOPERATING* (26-Dec-18)	1)CARE D (29-Sep-17) 2)CARE D (05-Sep-17)
2.	Non-fund-based - ST-Bank Guarantees	ST	-	-	1)CARE D; ISSUER NOT COOPERATING * (29-Apr-20)	-	1)CARE D; ISSUER NOT COOPERATING* (26-Dec-18)	1)CARE D (29-Sep-17) 2)CARE D (05-Sep-17)
3.	Debentures-Non Convertible Debentures	LT	-	-	1)CARE D; ISSUER NOT COOPERATING * (29-Apr-20)	-	1)CARE D; ISSUER NOT COOPERATING* (26-Dec-18)	1)CARE D (29-Sep-17) 2)CARE D (05-Sep-17)

Annexure 3: Complexity level of various instruments rated for this company

Sr. No.	Name of the Instrument	Complexity Level
1.	Debentures-Non Convertible Debentures	Simple
2.	Fund-based - LT-Cash Credit	Simple
3.	Non-fund-based - ST-Bank Guarantees	Simple

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Group Head Name – Ms. Nivedita Ghayal

Group Head Contact no.: +91-40-67937110

Group Head Email ID: nivedita.ghayal@careratings.com

Relationship Contact

Name: Mr. Ramesh Bob

Contact no. : +91 - 9052000521

Email ID: ramesh.bob@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks 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. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**