

## Ruchira Papers Limited

July 19, 2019

### Ratings

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	-	-	Withdrawn
Short-term Bank Facilities	-	-	Withdrawn
<b>Total Facilities</b>	-		

*Details of facilities in Annexure-1*

### Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BBB+ (Under credit watch with developing implications)/CARE A3+ (Under credit watch with developing implications)' [Triple B Plus (Under credit watch with developing implications)/ A Three Plus (Under credit watch with developing implications)] assigned to the bank facilities of Ruchira Papers Limited (RPL) with immediate effect. The above action has been taken at the request of RPL and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE

**Analytical approach:** Not Applicable

### Applicable Criteria

[Policy on Withdrawal of ratings](#)

### About the Company

RPL is engaged in the manufacturing of writing and printing paper (WPP) and kraft paper. The company is promoted by Mr. Subhash Chander Garg, Mr. Jatinder Singh and Mr. Umesh Chander Garg. The plant is located at Kala Amb, Himachal Pradesh with a total installed capacity of 52800 metric tonnes per annum (MTPA) for kraft paper and 33000 MTPA for WPP, as on March 31, 2018

In FY19 (refers to the period April 01 to March 31), RPL has reported a total income of Rs.495.88 Crore with a net profit of Rs.40.24 Crore as against a total income of Rs.451.35 Crore with a net profit of Rs.38.02 Crore in FY18.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

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

### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	0.00	Withdrawn
Non-fund-based - ST-ILC/FLC	-	-	-	0.00	Withdrawn
Fund-based - LT-Working Capital Limits	-	-	-	0.00	Withdrawn
Non-fund-based - LT-Bank Guarantees	-	-	-	0.00	Withdrawn

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

## 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE BBB+ (Under Credit watch with Developing Implications) (23-Oct-18)	1)CARE BBB+ (Under Credit watch with Negative Implications) (28-Feb-18)	1)CARE BBB+; Stable (09-Mar-17) 2)CARE BBB (27-Jun-16)
2.	Non-fund-based - ST-ILC/FLC	ST	-	-	-	1)CARE A3+ (Under Credit watch with Developing Implications) (23-Oct-18)	1)CARE BBB+ / CARE A3+ (Under Credit watch with Negative Implications) (28-Feb-18)	1)CARE BBB+; Stable (09-Mar-17) 2)CARE BBB / CARE A3+ (27-Jun-16)
3.	Fund-based - LT-Working Capital Limits	LT	-	-	-	1)CARE BBB+ (Under Credit watch with Developing Implications) (23-Oct-18)	1)CARE BBB+ (Under Credit watch with Negative Implications) (28-Feb-18)	1)CARE BBB+; Stable (09-Mar-17) 2)CARE BBB (27-Jun-16)
4.	Non-fund-based - LT-Bank Guarantees	LT	-	-	-	1)CARE BBB+ (Under Credit watch with Developing Implications) (23-Oct-18)	-	-

**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](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.

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### 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

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