

West Coast Paper Mills Limited

July 24, 2017

Ratings

Facilities/ Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities (Working Capital)	-	-	Withdrawn
Short Term Bank Facilities (Working Capital)	-	-	Withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

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

CARE had placed the outstanding ratings assigned to the bank facilities (working capital facilities) of West Coast Paper Mills Limited on 'Notice of Withdrawal' for a period of ninety days. Upon the expiry of the said notice period of ninety days, the ratings of 'CARE A; Stable/CARE A1' [Single A; Outlook: Stable/ A One] assigned to the aforesaid bank facilities stand withdrawn with immediate effect.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

WCPM, incorporated in 1955, is the flagship company of the S. K. Bangur group and is engaged in the manufacturing and marketing of paper and telecom cables.

Company has an integrated paper plant in Dandeli, Karnataka for capacity of 3,20,000 MTPA. It manufactures writing and printing paper (capacity- 2,62,500 MTPA) and paperboard (capacity- 57,500 MTPA).

Further, company also manufactures optical fiber cables at Mysuru, Karnataka having installed capacity of 83,500 km. Other than the captive power plant, it also has set up 6 wind mills totaling to 1.75MW in Tamil Nadu and the power generated is sold to TNEB/ other company.

Brief Financials (Rs. crore)	FY17 (A)
Total operating income	1769.34
PBILDT	337.85
PAT	122.58
Overall gearing (times)	0.72
Interest coverage (times)	6.55

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

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.

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

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

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 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/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.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is 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.

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
Non-fund-based-Short Term	-	-	-	0.00	Withdrawn
Fund-based-Long Term	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC	-	-	-	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 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016	Date(s) & Rating(s) assigned in 2014-2015
1.	Term Loan-Long Term	LT	-	-	1)Withdrawn (11-Apr-17)	-	1)CARE BBB+ (28-Oct-15) 2)CARE BBB (Under Credit Watch) (29-May-15)	1)CARE BBB (20-Jan-15)
2.	Non-fund-based-Short Term	ST	-	-	1)CARE A1 (11-Apr-17)	-	1)CARE A3+ (28-Oct-15) 2)CARE A3 (Under Credit Watch) (29-May-15)	1)CARE A3 (20-Jan-15)
3.	Fund-based-Long Term	LT	-	-	1)CARE A; Stable (11-Apr-17)	-	1)CARE BBB+ (28-Oct-15) 2)CARE BBB (Under Credit Watch) (29-May-15)	1)CARE BBB (20-Jan-15)
4.	Fund-based - LT-Term Loan	LT	43.75	CARE A; Stable	1)CARE A; Stable (11-Apr-17)	-	-	-
5.	Fund-based - LT-Cash Credit	LT	-	-	1)CARE A; Stable (11-Apr-17)	-	-	-
6.	Non-fund-based - ST-BG/LC	ST	-	-	1)CARE A1 (11-Apr-17)	-	-	-

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