

Press Release

Huldibari Industries & Plantation Company Limited (HIPCL)

January 17, 2019

Rating Update



Total Bank Facilities Rated*	Rs. 9.69 Cr.
Long Term Rating	ACUITE B Issuer non-cooperating*
Short Term Rating	ACUITE A4 Issuer non-cooperating*

* Refer Annexure for details

Rating Rationale

Acuité has reviewed the long term rating of '**ACUITE B**' (read as **ACUITE B**) and short term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 9.69 crore bank facilities of Huldibari Industries & Plantation Company Limited (HIPCL). This rating is now an indicative rating and is based on best available information.

Huldibari Industries and Plantation Company Limited (HIPCL) was incorporated by Mr. C L Bajoria and family in 1889. The company, led by Mr. Anand Bajoria, Mr. Shridhar Issar, Mr. Rajendra Bijoria and others is engaged in the processing of tea (black crush, curl tea etc) at Kolkata.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition-<https://www.acuite.in/view-rating-criteria-17.htm>
- Manufacturing Entities-<https://www.acuite.in/view-rating-criteria-4.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-20.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

	Unit	FY17(Actual)	FY16 (Actual)	FY15 (Actual)
Operating Income	Rs. Cr.	29.81	23.61	22.87
EBITDA	Rs. Cr.	0.54	(0.13)	1.50
PAT	Rs. Cr.	(0.94)	(1.12)	0.38
EBITDA Margin	(%)	1.81	(0.56)	6.56
PAT Margin	(%)	(3.17)	(4.73)	1.67
ROCE	(%)	6.04	2.52	12.55
Total Debt/Tangible Net Worth	Times	10.01	5.67	3.20
PBDIT/Interest	Times	0.67	0.46	1.76
Total Debt/PBDIT	Times	30.73	(111.76)	7.94
Gross Current Assets (Days)	Days	178	289	279

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
13-Dec-2017	Proposed Long Term Loan	Long term	0.49	ACUITE B/Stable (Downgrade)
	Cash Credit	Long term	6.95	ACUITE B/Stable (Downgrade)
	Bank Guarantee	Short term	0.75	ACUITE A4 (Reaffirmed)
	Proposed Term Loan	Long Term	1.50	ACUITE B/Stable (Downgrade)
15-Jul-2016	Cash Credit	Long term	6.50	ACUITE B+/Stable (Reaffirmed)
	Term Loan	Long term	0.49	ACUITE B+/Stable (Reaffirmed)
	Packing Credit	Short Term	0.75	ACUITE A4 (Reaffirmed)
	Bank Guarantee	Short Term	0.75	ACUITE A4 (Reaffirmed)
	Proposed Cash Credit	Long term	1.20	ACUITE B+/Stable (Reaffirmed)

25-Jun-2015	Term Loan	Long term	0.34	ACUITE B+/Stable (Assigned)
	Cash Credit	Long term	6.50	ACUITE B+/Stable (Assigned)
	Packing Credit	Short Term	0.75	ACUITE A4 (Assigned)
	Bank Guarantee	Short Term	0.75	ACUITE A4 (Assigned)
	Proposed Long Term Loan	Long term	0.35	ACUITE B+/Stable (Assigned)
	Proposed Cash Credit	Long term	1.00	ACUITE B+/Stable (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings/Outlook
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	0.49	ACUITE B Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	6.95	ACUITE B Issuer not co-operating*
Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.75	ACUITE A4 Issuer not co-operating*
Proposed Term Loan	Not Applicable	Not Applicable	Not Applicable	1.50	ACUITE B Issuer not co-operating*

Contacts:

Analytical	Rating Desk
Pooja Ghosh Head- Corporate and Infrastructure Sector Tel: 033-66201203 pooja.ghosh@acuite.in Abhishek Dey Rating Analyst Tel: 033-66201208 abhishek.dey@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-67141160 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité.