

Press Release

HONOURABLE PACKAGING PRIVATE LIMITED

November 11, 2019

Rating Withdrawn



Total Bank Facilities Rated*	Rs. 8.20 Cr.
Long Term Rating	ACUITE B+ Withdrawn

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long-term rating of '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 8.20 crore bank facilities of HONOURABLE PACKAGING PRIVATE LIMITED (HPPL).

The rating has been withdrawn on account of request received from the company and NOC received from the banker.

Honourable Packaging Private Limited (HPPL) was incorporated in the year 2010 managed by Mr. Binod Kumar Agarwal and is engaged in the manufacturing of reprocessed plastic granules, liner, polyethylene fabric and tarpaulin from waste material, procured from its group companies namely, Shree Tirupati Balajee Agro Trading Company Private Limited, Shree Tirupati Balajee FIBC Private Limited, Jagannath Plastic Private Limited as also from Reliance Industries Limited.

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>

About the Rated Entity - Key Financials

	Unit	FY19 (Actual)	FY18 (Actual)	FY17 (Actual)
Operating Income	Rs. Cr.	60.46	43.04	29.01
EBITDA	Rs. Cr.	2.05	1.66	1.91
PAT	Rs. Cr.	0.40	0.40	0.18
EBITDA Margin	(%)	3.39	3.86	6.59
PAT Margin	(%)	0.66	0.92	0.63
ROCE	(%)	10.61	6.80	6.94
Total Debt/Tangible Net Worth	Times	1.36	1.52	1.75
PBDIT/Interest	Times	2.72	2.37	1.91
Total Debt/PBDIT	Times	3.82	4.92	5.81
Gross Current Assets (Days)	Days	53	213	254

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

Not Applicable

Any other information

Acuite 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
05-Feb-2019	Term Loan	Long Term	1.54	ACUITE B+/Stable (Reaffirmed)
	Cash Credit	Long Term	5.50	ACUITE B+/Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	1.16	ACUITE B+/Stable (Reaffirmed)
16-Feb-2018	Term Loan	Long Term	2.36	ACUITE B+/Stable (Downgraded from ACUITE BB-/Stable)
	Cash Credit	Long Term	5.50	ACUITE B+/Stable (Downgraded from ACUITE BB-/Stable)
	Proposed Bank Facility	Long Term	0.34	ACUITE B+/Stable (Downgraded from ACUITE BB-/Stable)
25-Nov-2016	Term Loan	Long Term	2.36	ACUITE BB-/Stable (Assigned)
	Cash Credit	Long Term	5.50	ACUITE BB-/Stable (Assigned)
	Proposed Bank Facility	Long Term	0.34	ACUITE BB-/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
Term Loan	Not Applicable	Not Applicable	Not Applicable	1.54	ACUITE B+ (Withdrawn)
Cash Credit	Not Applicable	Not Applicable	Not Applicable	5.50	ACUITE B+ (Withdrawn)
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.16	ACUITE B+ (Withdrawn)

Contacts

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About Acuite Ratings & Research:

Acuite 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.

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