

Press Release

Himalyan Plastics Limited

February 08, 2023



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	9.00	ACUITE D Reaffirmed Issuer not co-operating*	-
Bank Loan Ratings	3.00	-	ACUITE D Reaffirmed Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	12.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the **long-term rating 'ACUITE D (read as ACUITE D)' and short term rating ACUITE D (read as ACUITE D)** on the Rs.12.00 crore bank facilities of Himalyan Plastics Limited.

This rating is now an indicative rating and is based on best available information. Rating has been reaffirmed factoring the banker's feedback.

About the Company

Himachal Pradesh based, Himalyan Plastics Limited (HPL) was incorporated in 1980 as a private limited company and later converted to a public limited company in 2001. HPL is engaged in the manufacturing of Telecom Ducts, HDPE Pipes, MDPE pipes and sprinklers. The major clientele of the company for telecom ducts includes Vodafone, Jio, Airtel, and various government departments & private organizations. The directors of the company are Mr Madan Sharma, Mr Ajay Sharma and Mr Sridhar Bihara.

Non-cooperation by the issuer/borrower

Acuite has been requesting for information critical for rating exercise from the rated entity. However, the issuer / borrower failed to submit such information before due date. Acuite believes that information risk is a critical component in such ratings, and non - cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer notcooperating", in line with prevailing SEBI regulations and Acuite's policies.

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). Acuite endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based

Rating Sensitivities

No information provided by the issuer / available for Acuite to comment upon

Material Covenants

None

Liquidity Position

No information provided by the issuer / available for Acuite to comment upon

Outlook: Not Applicable

Key Financials:

The rated entity has not shared the latest financial statements for Acuite to comment

Status of non-cooperation with previous CRA

None

Any other information

Acuite is yet to receive the latest NDS (No Default Statement) despite repeated requests and followups.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Nov 2021	Bank Guarantee	Short Term	3.00	ACUITE D (Downgraded from ACUITE A4)
	Working Capital Term Loan	Long Term	4.00	ACUITE D (Downgraded from ACUITE B Stable)
	Cash Credit	Long Term	5.00	ACUITE D (Downgraded from ACUITE B Stable)
26 Aug 2020	Working Capital Term Loan	Long Term	4.00	ACUITE B Stable (Assigned)
	Cash Credit	Long Term	5.00	ACUITE B Stable (Reaffirmed)
	Bank Guarantee	Short Term	3.00	ACUITE A4 (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
UCO Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	3.00	ACUITE D Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	5.00	ACUITE D Reaffirmed Issuer not co-operating*
UCO Bank	Not Applicable	Working Capital Term Loan	Not available	Not available	Not available	Simple	4.00	ACUITE D Reaffirmed Issuer not co-operating*

Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 aditya.gupta@acuite.in Himanshu . Senior Analyst-Rating Operations Tel: 022-49294065 himanshu.mehta@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, 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. Ratings assigned by Acuité 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. Ratings assigned by Acuité 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.