

Press Release

Hind Filters Limited

July 04, 2019



Rating Withdrawn

Total Bank Facilities Rated*	Rs. 5.00 Cr.
Long Term Rating	ACUITE BBB (Withdrawn)
Short Term Rating	ACUITE A3+ (Withdrawn)

* Refer Annexure for details

Rating Rationale

Acuité has withdrawn the long-term rating of '**ACUITE BBB**' (**read as ACUITE triple B**) and short term rating of '**ACUITE A3+**' (**read as ACUITE A three plus**) on the Rs. 5.00 crore bank facilities of Hind Filters Limited (HFL).

The rating is being withdrawn on account of request received from the company and NOC received from the banker.

Hind Filters Limited (HFL) incorporated in 1973 is engaged in the manufacturing of Acetate cigarette filter rods (in regular, slim and ultra slim sizes) and flavored filter rods (Menthol, Vanilla, Strawberry, Raspberry, Lemon, Sourplum, Pear and Apple etc.), Dual Charcoal & Recessed Dual Filter Rods of regular sizes for all major brands of Cigarettes in India. The company is ISO 9001/2015 and ISO 14001/2015 certified by Bureau Veritas Certification, U.K. The installed capacity of the company is 4850 million rods.

Analytical Approach

Acuité has considered the standalone financial and business risk profiles of HFL to arrive at the rating.

About the Rated Entity - Key Financials

	Unit	FY18 (Actual)	FY17 (Actual)	FY16 (Actual)
Operating Income	Rs. Cr.	39.12	45.08	47.00
EBITDA	Rs. Cr.	3.51	3.09	1.33
PAT	Rs. Cr.	8.95	6.05	3.65
EBITDA Margin	(%)	8.98	6.85	2.82
PAT Margin	(%)	22.88	13.41	7.76
ROCE	(%)	16.48	12.91	7.75
Total Debt/Tangible Net Worth	Times	0.01	0.01	0.00
PBDIT/Interest	Times	69.76	86.89	50.82
Total Debt/PBDIT	Times	0.08	0.08	0.03
Gross Current Assets (Days)	Days	59	71	118

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

Not applicable

Any other information

None

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.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>

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
17-May-2018	Cash Credit	Long Term	3.40	ACUITE BBB/ Stable (Assigned)
	Bank guarantee	Short Term	1.60	ACUITE A3+ (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
Cash Credit	Not Applicable	Not Applicable	Not Applicable	3.40	ACUITE BBB (Withdrawn)
Bank guarantee	Not Applicable	Not Applicable	Not Applicable	1.60	ACUITE A3+ (Withdrawn)

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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.

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