

Press Release

H S India Limited

November 09, 2022



Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	19.80	ACUITE B+ Reaffirmed Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	19.80	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has reaffirmed the long-term rating of **'ACUITE B+' (read as ACUITE B plus)** on the Rs. 19.80 crore bank facilities of H S India Limited (HSIL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

About the Company

H S India Limited (HSIL), was incorporated in 1989 in the name of Hotel Silver Plaza Private Limited. Subsequently in 1997, the constitution has been changed to public limited company and listed on Bombay Stock Exchange. HSIL operates a three-star hotel under the name 'Lords Plaza' and has entered into an agreement with Lords INN Hotels and Developers Limited to use brand name 'Lords'. The hotel comprises of 134 rooms, a multicuisine restaurant under the name 'Blue Coriander' and a sky grill restaurant under the name 'Lime tree'; six banquet halls and one liquor shop. The 'Lords Plaza' hotel is situated at Surat (Gujarat) and commenced its commercial operations in 1989. The Key Managerial Personnel (KMP) includes Mr. Ramesh Radheyshyam Bansal (CFO), Mr. Pushpendra Radheshyam Bansal (CEO), Mr. Hitesh Gopalbhai Limbani (Company Secretary). It's registered office is in Mumbai.

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 the due date.

Acuité 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 continues to be flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité'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). Acuité endeavored 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

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

Rating Sensitivity

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

Status of non-cooperation with previous CRA

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.

Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité 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
17 Aug 2021	Proposed Term Loan	Long Term	4.05	ACUITE B+ (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	15.75	ACUITE B+ (Downgraded and Issuer not co-operating*)
22 May 2020	Proposed Term Loan	Long Term	4.05	ACUITE BB- (Downgraded and Issuer not co-operating*)
	Term Loan	Long Term	15.75	ACUITE BB- (Downgraded and Issuer not co-operating*)
12 Mar 2019	Term Loan	Long Term	15.75	ACUITE BB Stable (Reaffirmed)
	Proposed Term Loan	Long Term	4.05	ACUITE BB Stable (Reaffirmed)
12 Sep 2018	Proposed Term Loan	Long Term	1.95	ACUITE BB Stable (Assigned)
	Term Loan	Long Term	17.85	ACUITE BB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	4.05	ACUITE B+ Reaffirmed Issuer not co-operating*
Canara Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	15.75	ACUITE B+ Reaffirmed Issuer not co-operating*

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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.

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