

Press Release

Hariom Pipe Industries Limited

January 29, 2021

Rating Update



Total Bank Facilities Rated*	Rs.64.00 Cr.#
Long Term Rating	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuite has downgraded the long term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB**' (read as **ACUITE triple B**) and the short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3+**' (read as **ACUITE A three plus**) on the Rs.64.00 Crore bank facilities of Hariom Pipe Industries Limited. This rating is now an indicative rating and is based on the best available information.

HPIL was incorporated in 2007 by Mr. Rupesh Kumar Gupta. HPIL is engaged in manufacturing of various steel products such as Mild Steel Billets, Hot Rolled Strips, Mild Steel Tubes and Scaffolding with manufacturing facility located at Balanagar Mandal, Mahabubnagar District, Telangana State. The manufacturing facility of the HPIL is entirely integrated, i.e. starting from manufacturing of MS Billet to the manufacturing of MS Tubes and Scaffolding accessories in the same premises at five different units; and the manufacturing facilities are in progressive assembly line model. The company sells manufactured products under the brand name of 'HARIOM'.

Non-cooperation by the issuer/borrower: Acuite 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.

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

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing entities - <https://www.acuite.in/view-rating-criteria-59.htm>
- Financial Ratios And Adjustments - <https://www.acuite.in/view-rating-criteria-53.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). Acuite endeavored 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.

Liquidity Indicators:

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

Rating Sensitivity –

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

About the Rated Entity- Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

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

HPIL's rating was flagged off as Issuer not cooperating with Care ratings, through its rating rationale dated October 12th, 2020. The reason provided by Care ratings is non-furnishing of information by HPIL.

Any other information

Acuite has received the no default statement from the client for the month of November.

Rating History (Up to last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
06-November-2019	Cash Credit	Long Term	25.00	ACUITE BBB/Stable (Upgraded)
	Term Loan	Long Term	0.21	ACUITE BBB/Stable (Upgraded)
	Term Loan	Long Term	28.94	ACUITE BBB/Stable (Assigned)
	Proposed Bank Facility	Long Term	1.35	ACUITE BBB/Stable (Upgraded)
	Letter of Credit	Short Term	8.00	ACUITE A3+ (Upgraded)
	Bank Guarantee	Short Term	0.50	ACUITE A3+ (Upgraded)
14-November-2018	Cash Credit	Long Term	18.00	ACUITE BBB-/Stable (Assigned)
	Proposed Cash Credit	Long Term	8.00	ACUITE BBB-/Stable (Assigned)
	Term Loan	Long Term	0.21	ACUITE BBB-/Stable (Assigned)
	Proposed Term Loan	Long Term	29.29	ACUITE BBB-/Stable (Assigned)
	Letter of Credit	Short Term	8.00	ACUITE A3 (Assigned)
	Bank Guarantee	Short Term	0.50	ACUITE A3 (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Cash Credit	Not Applicable	Not Applicable	Not Applicable	25.00	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	0.21	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	28.94	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Proposed Bank Facility	Not Applicable	Not Applicable	Not Applicable	1.35	ACUITE BB+ (Downgraded from ACUITE BBB/Stable) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	8.00	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*

Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	0.50	ACUITE A4+ (Downgraded from ACUITE A3+) Issuer not co-operating*
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Contacts

Analytical	Rating Desk
Aditya Gupta Vice President - Corporate Ratings Tel: 022-49294041 aditya.gupta@acuite.in Aditya Singh Ratings Analyst - Rating Operations Tel: 011-49731303 aditya.singh@acuite.in	Varsha Bist Senior Manager – Rating Desk Tel: 022-49294011 rating.desk@acuite.in

About Acuité Ratings & Research:

Acuité Ratings & Research 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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