



### Press Release

**HINDUSTAN FIBRE GLASS WORKS PRIVATE LIMITED (ERSTWHILE HINDUSTAN GLASS WORKS)**

**June 28, 2024**

### Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	53.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Bank Loan Ratings	39.00	-	ACUITE A4+   Downgraded   Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	92.00	-	-

### Rating Rationale

Acuite has downgraded its long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB-**' (read as **ACUITE Triple B minus**) and its short-term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A3**' (read as **ACUITE A three**) on the Rs. 92 crore bank facilities of Hindustan Fibre Glass Works Private Limited (Erstwhile Hindustan Fibre Glass Works) (HFGWPL).

Acuite had sent repeated reminders to the company for sharing critical information for surveillance of the ratings. But despite multiple requests, the company has remained non-cooperative in providing the information. The rating is now flagged as "Issuer Not-Cooperating" and is based on the best information available. The downgrade is on account of information risk.

### About the Company

Hindustan Fibre Glass Works Private Limited (HFGWPL) was founded in 1984 as a partnership firm by Mr. Govindbhai Patel and Mr. Shankar Patel at Kolkata. Further, the company has changed its constitution to private limited company with effect from 1st April 2022 and changed its name to the current name. The company is engaged in interior furnishing work for railway coaches. The company manufactures all types of fibre-reinforced polymer (FRP) products such as paneling, gear case, door paneling, modular toilet and partition frames, seats and components, and driver's cabin, among others which are fitted to railway coaches. The company, being an approved vendor, participates in tenders floated by various railway departments.

### Unsupported Rating

Not Applicable

### **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 is therefore being 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 endeavoured 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.

### **Rating Sensitivities**

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

### **Liquidity Position**

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

### **Outlook: Not Applicable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	371.45	336.95
PAT	Rs. Cr.	9.86	15.60
PAT Margin	(%)	2.65	4.63
Total Debt/Tangible Net Worth	Times	1.55	1.08
PBDIT/Interest	Times	4.59	4.86

## Status of non-cooperation with previous CRA

Not Applicable

## Any other information

None

## 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>
- Rating Process and Timeline: <https://www.acuite.in/view-rating-criteria-67.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
03 Apr 2023	Bank Guarantee (BLR)	Short Term	8.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	31.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	14.00	ACUITE BBB-   Negative (Reaffirmed)
	Cash Credit	Long Term	36.00	ACUITE BBB-   Negative (Assigned)
	Proposed Long Term Bank Facility	Long Term	3.00	ACUITE BBB-   Negative (Reaffirmed)
04 Mar 2022	Cash Credit	Long Term	14.00	ACUITE BBB-   Stable (Reaffirmed)
	Term Loan	Long Term	2.88	ACUITE BBB-   Stable (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	7.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	1.12	ACUITE A3 (Reaffirmed)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Indian Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	39.00	ACUITE A4+   Downgraded   Issuer not co-operating* (from ACUITE A3 )
Indian Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	50.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE BBB- )

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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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