

Press Release

Himalaya Polytech Private Limited

January 13, 2020

Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Fund based facilities- Term Loan	6.80	IVR BB/Stable; ISSUER NOT COOPERATING* (IVR Double B with Stable outlook; Issuer Not Cooperating)	Rating revised from IVR BB+ (IVR Double B Plus) with Stable Outlook and moved to ISSUER NOT COOPERATING Category
Long Term Fund based facilities- Cash credit	7.80 (including proposed limit of Rs. 0.30 Crores)	IVR BB/Stable; ISSUER NOT COOPERATING* (IVR Double B with Stable outlook; Issuer Not Cooperating)	Rating revised from IVR BB+ (IVR Double B Plus) with Stable Outlook and moved to ISSUER NOT COOPERATING Category
Short Term Bank Facilities – LC/BG	6.00 (including proposed limit of Rs. 2.0 Crores)	IVR A4; ISSUER NOT COOPERATING* (IVR A Four; Issuer Not Cooperating)	Rating revised from IVR A4+ (IVRA Four Plus) and moved to ISSUER NOT COOPERATING Category
Total	20.60		

**Issuer did not cooperate; based on best available information*

Details of Facility are in Annexure 1

Detailed Rationale

The rating downgrade is because of lack of adequate information regarding Himalaya Polytech Private Limited's performance and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

Non-cooperation by Issuer

Infomerics has been regularly following up with the company to provide the required data to monitor its assigned rating to the bank facilities, vide mail dated December 17, 2019 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details and fees for surveillance exercise.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the

best available information. Accordingly, the long term ratings for the bank loan facilities aggregating to Rs.14.60 crore and short term rating for the bank facilities aggregating to Rs.6.00 crore of Himalaya Polytech Private Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB/Stable: Issuer Not Co-operating; based on best available information (IVR Double B/Stable: Issuer Not Co-operating) and IVR A4: Issuer Not Co-operating; based on best available information. (IVR A Four: Issuer Not Co-operating; based on best available information).

Accordingly, the lenders, investors and other users of this rating are requested to exercise adequate caution while using this rating as this rating may not adequately reflect the current credit risk profile of the company.

Analytical Approach & Applicable Criteria

Standalone

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

Himalaya Polytech Private Limited ("HPPL") was incorporated in the year 2005. It is promoted by the Jain family. The company is a family owned business and is run by Mr. Anil Kumar Jain, his wife Mrs. Sunita Jain, his son Mr. Anubhav Jain and daughter in law - Mrs. Anukampa Jain. HPPL has a manufacturing facility located at Pantnagar, Uttarakhand. The company is engaged in the manufacturing and sale of PET preforms, bottles and jars, thermoplastic wheels and plastic caps. Products of the company are used by clientele in the beverage, cosmetics, confectionary, juices, edible oil, pharmaceuticals and distilleries businesses.

Financials (Standalone)

(Rs. Crore)

For the year ended / As on	31-03-18	31-03-19
	Audited	Audited
Total Operating Income	26.6	29.2
EBITDA	3.8	3.8
PAT	0.3	0.4
Total Debt	15.9	15.3
Tangible Net worth	7.53	8.0
EBIDTA Margin (%)	14.3	12.9
PAT Margin (%)	1.2	1.3
Overall Gearing ratio (x)	2.1	1.9

Status of non-cooperation with previous CRA:

Brickwork Ratings has moved the rating of HPPL into the Issuer Non-Cooperating category as the company did not co-operate in the rating procedure despite repeated follow ups as per the Press Release dated November 20, 2019.

Any other information: Nil

Rating History for last three years:

S. No.	Name of Instrument/Facilities	Current Rating (Year 2019-20)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17
1.	Long Term Fund based facilities-Term Loan	Long Term	6.80	IVR BB/Stable Outlook (IVR Double B with Stable Outlook) ISSUER NOT COOPERATING	IVR BB+/Stable Outlook (IVR Double B plus with Stable Outlook) (August 14, 2018)	--	--
2.	Long Term Fund based facilities-Cash credit	Long Term	7.80 (including proposed limit of Rs. 0.30 Crores)	IVR BB/Stable Outlook (IVR Double B with Stable Outlook) ISSUER NOT COOPERATING	IVR BB+/Stable Outlook (IVR Double B plus with Stable Outlook) (August 14, 2018)	--	--
3.	Short Term Bank Facilities-Letter of Credit/Bank Guarantee	Short Term	6.00 (including proposed limit of Rs. 2.0 Crores)	IVR A4 (IVR A Four) ISSUER NOT COOPERATING	IVR A4+ (IVR A Four Plus) (August 14, 2018)	--	--

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

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About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Company's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Fund based facilities- Term Loan	Present Outstanding	-	Varying maturities till December 2024	6.80	IVR BB/Stable Outlook ISSUER NOT COOPERATING*
Long Term Fund based facilities – Cash credit	-	-	-	7.80 (including proposed limit of Rs. 0.30 Crores)	IVR BB/Stable Outlook ISSUER NOT COOPERATING*
Short Term bank facilities – Letter of Credit/ Bank Guarantee	-	-	-	6.00 (including proposed limit of Rs. 2.00 Crores)	IVR A4 ISSUER NOT COOPERATING

**Issuer did not cooperate; based on best available information*