



## Press Release

**Hansa Tubes Private Limited**

**Oct 05, 2023**

Facilities	Amount (Rs. crore)	Current Ratings	Previous Rating	Rating Action	<a href="#">Complexity</a>
Long Term Bank Facilities – Cash Credit	45.90	IVR BB+/ (Negative)/ INC (IVR Double B Plus with Negative Outlook/ISSUER NOT CO- OPERATING)	IVR BBB- /Stable Outlook (Pronounced as IVR Triple B Minus with Stable Outlook)	Downgraded and moved to ISSUER NOT CO- OPERATING category.	Simple
Short Term Bank Facilities – Overdraft	5.00	IVR A4+/INC ( IVR Single A Four Plus /ISSUER NOT CO- OPERATING)	IVR A3 (Pronounced as IVR Single A Three)	Downgraded and moved to ISSUER NOT CO- OPERATING category.	Simple
<b>Total</b>	<b>50.90</b>				

### Ratings

Issuer did not cooperate; based on best available information

### Detailed Rationale

The rating revision is because of lack of adequate information regarding Hansa Tubes Private Limited 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.

Infomerics has been regularly following up with the company to provide the required data including Cash flow, bank statements and other data to monitor its assigned rating to the bank facilities, vide multiple E-mail communications latest by Sep 26 , 2023 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. 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.

### Non-cooperation by Issuer



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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/Short term ratings for the bank loan facilities of Hansa Tubes Private Limited aggregating to Rs. 50.90 crore shall be moved in the 'ISSUER NOT COOPERATING' category by Infomerics and the rating be noted as IVR BB+/Negative/A4+; Issuer Not Co-operating; Based on best available information.

### **Analytical Approach & Applicable Criteria**

Standalone

[Rating Methodology for Manufacturing Company](#)

[Financial Ratios & Interpretation – \(Non-financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

### **About the company**

Hansa Tubes Private Limited (HTPL) was incorporated in 1994 and headquartered in Chandigarh, India. The company is engaged in the manufacturing of Cold rolled (CR) steel products i.e. coils, strips and sheets with an aggregate installed capacity of 55,000 MT per annum (MTPA), as on March 31, 2019. The company is also engaged in the manufacturing of Electric Resistance Welded (ERW) precision pipes with an installed capacity of 15,000 MT per annum. The manufacturing facility of the company is situated at Dera Bassi, Punjab. In addition to its steel business, the company has developed a plotted Industrial Park on Dera Bassi Barwala state highway.

### **Financials (standalone):**

For the Year Ended/As on	(Rs. crore)	
	31-03-2021	31-03-2022
	(Audited)	(Prov.)
Total Operating Income	238.86	309.12
EBITDA	16.26	11.96
PAT	4.41	5.07
Total Debt	64.40	74.75
Tangible Net Worth	34.39	39.47
EBITDA Margin (%)	6.81	3.87
PAT Margin(%)	1.84	1.63



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Overall Gearing Ratio (x)	1.87	1.89
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\*Classification as per Infomerics' standards

**Status of non-cooperation with previous CRA: Not available**

**Any other information: Nil**

**Rating History for last three years:**

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 Aug 01, 2022	Date(s) & Rating(s) assigned in 2021-22 May 19 <sup>th</sup> , 2021	Date(s) & Rating(s) assigned in 20-21
1	Long Term Bank Facilities – Cash Credit	Long Term	45.90	IVR BB+/ (Negative)/ INC (IVR Double B Plus with Negative Outlook/ISSUER NOT CO-OPERATING)	IVR BBB- /Stable Outlook (Pronounced as IVR Triple B Minus with Stable Outlook)	IVR BBB- /Stable Outlook (Pronounced as IVR Triple B Minus with Stable Outlook)	-
3	Short Term Bank Facilities – Bank Overdraft	Short Term	5.00	IVR A4+/INC ( IVR Single A Four Plus /ISSUER NOT CO-OPERATING)	IVR A3 (Pronounced as IVR Single A Three)	IVR A3 (Pronounced as IVR Single A Three)	-

**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](http://www.infomerics.com).

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**About Infomerics:**

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics



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commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit [www.infomerics.com](http://www.infomerics.com)

**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, 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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit	-	-	-	45.90	IVR BB+/ (Negative)/ INC (IVR Double B Plus with Negative Outlook/ISSUER NOT CO- OPERATING)



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Short Term Bank Facilities - Overdraft	-	-	-	5.00	IVR A4+/INC ( IVR Single A Four Plus /ISSUER NOT CO- OPERATING)
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**Annexure 2: List of companies considered for consolidated analysis: Not Applicable**

**Annexure 3: Facility wise lender details:**

<https://www.infomerics.com/admin/prfiles/Len-Hansa-oct23.pdf>

**Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable**

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](http://www.infomerics.com)