

Press Release

Hillman Hosiery Mills Private Limited

August 6, 2019

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action
Long Term Fund based facilities- Cash Credit	13.90 (including proposed incremental limits of Rs.0.15 Cr)	IVR BB+/Stable Outlook ISSUER NOT COOPERATING* (Rating moved to Issuer Not Cooperating category from IVR BB+/Stable)	Moved to ISSUER NOT COOPERATING Category and revised from IVR BB+ with Stable Outlook
Long Term Fund based facilities- Cash Credit	1.10	IVR BB+/Stable Outlook ISSUER NOT COOPERATING* (Rating moved to Issuer Not Cooperating category from IVR BB+/Stable)	Moved to ISSUER NOT COOPERATING Category and revised from IVR BB+ with Stable Outlook
Total	15.00		

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

Details of Facility are in Annexure 1

Detailed Rationale

Availability of information from the client is a key factor in the assessment of credit risk. However, no operational information and surveillance fees has been provided by the company. Based on information available at the time of last review/surveillance, the ratings have been migrated to 'IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING'.

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 E-mail communications dated May 16, 2019, July 9, 2019, July 18, 2019, July 25, 2019 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details. However, the company has been submitting 'NO DEFAULT STATEMENT' on a timely manner. 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 of Hillman Hosiery Mills Pvt Ltd aggregating to

Rs.15.00 crore 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 Plus/Stable: 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

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

Hillman Hosiery Mills Private Limited (Hillman) was incorporated as a private limited company on March 29, 2004 by Kolkata based Shri Mahabir Prasad Prahladka and Shri Sanjiv Prahladka (Son of Shri Mahabir Prasad Prahladka). Hillman is engaged in manufacturing of hosiery undergarments i.e. briefs & vests for men, women & kids segments under the Brand name of Hillman for over a decade. Besides, it is also in manufacturing of seasonal items like winter wear for all segments. The company has its manufacturing unit and godown at Srijan Industrial Logistics Park in Howrah with an installed capacity of 14000 pieces per day and a godown at Cossipore Road, Kolkata.

Financials (Standalone)

(Rs. Crore)

For the year ended* / As On	31-03-2017	31-03-2018
	Audited	Audited
Total Operating Income	28.64	35.50
EBITDA	2.43	3.98
PAT	0.58	0.23
Total Debt	15.61	10.03
Tangible Net worth	7.33	13.50
EBITDA Margin (%)	8.48	11.20
PAT Margin (%)	2.01	0.64
Overall Gearing Ratio (x)	2.13	0.74

**Based on Infomerics classification*

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:

	Current Rating (Year 2019-20)	Rating History for the past 3 years

S. No.	Name of Instrument/Facilities	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- Cash Credit	Long Term	13.90 (including proposed incremental limits of Rs.0.15 Cr)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*	IVR BB+ / Stable Outlook (IVR Double B Plus with Stable Outlook) (May 14, 2018)	--	--
2.	Long Term Fund based facilities- Term Loan	Long Term	1.10	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*	IVR BB+ / Stable Outlook (IVR Double B Plus with Stable Outlook) (May 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.

Name and Contact Details of the Rating Analyst:

Name: Mr. Aakanksha N. Banthia

Tel: (033) 46022266

Email: abanthia@infomerics.com

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- Cash Credit	-	-	-	13.90 (including proposed incremental limits of Rs.0.15 Cr)	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*
Long Term Fund based facilities- Term Loan		10.25%	March - 2024	1.10	IVR BB+/Stable Outlook (IVR Double B Plus with Stable Outlook) ISSUER NOT COOPERATING*