

## Hariom Pipe Industries Limited (Revised)

October 06, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	19.15	CARE BB; Stable; ISSUER NOT COOPERATING* (Double B; Outlook: Stable ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	4.50	CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>23.65</b> <b>(₹ Twenty-Three Crore and Sixty-Five Lakhs Only)</b>		

Details of instruments/facilities are in Annexure-1.

### Detailed Rationale and Key Rating Drivers

CARE had, vide its press release dated October 28, 2021, placed the rating(s) of Hariom Pipe Industries Limited (HPIL) under the 'issuer non-cooperating category as HPIL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. HPIL continues to be non-cooperative despite repeated requests for the submission of information through e-mails, phone calls and a letter/email dated September 13, 2022, September 22, 2022, and September 23, 2022.

In line with the extant SEBI guidelines, CARE has reviewed the rating based on the best available information which, however, in CARE's opinion is not sufficient to arrive at a fair rating.

***Users of this rating (including investors, lenders, and the public at large) are hence requested to exercise caution while using the above rating(s).***

### A detailed description of the key rating drivers

Please refer to the PR dated [October 28, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy on default recognition](#)

[Policy in respect of Non-cooperation by the issuer](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

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

[Short Term Instruments](#)

[Steel Sector Companies](#)

[Manufacturing Companies](#)

### About the Company

Hyderabad-based, Hariom Pipe Industries Limited (HPIL), erstwhile Hariom Concast & Steels Private Limited, was incorporated in 2007. HPIL is promoted by Mr Roopesh Kumar Gupta (Managing Director), Mr Shailesh Kumar Gupta (Whole-time Director) and Mr Rakesh Kr Gupta (Director). The company is engaged in manufacturing various steel products such as Mild Steel Billets, Hot Rolled Strips, Mild Steel Tubes and Scaffolding, at its manufacturing unit located in Balanagar Mandal, Mahbubnagar District, and Telangana State. The company is an ISO 9001:2015 and IS 2830:2012 certified company and sells its products under the brand

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

name of 'HARIOM'. The company generates almost all its revenue from the southern region which includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, and Telangana.

<b>Brief Financials (₹ crore)</b>	<b>March 31, 2021 (A)</b>	<b>March 31, 2022 (A)</b>	<b>Q1FY23 (UA)</b>
Total operating income	254.14	430.57	142.31
PBILDT	34.28	56.12	14.60
PAT	15.13	31.96	9.54
Overall gearing (times)	1.16	0.88	NA
Interest coverage (times)	4.56	6.85	NA

A: Audited, UA: Unaudited

#### **Status of non-cooperation with previous CRA:**

**Brickwork** has moved the ratings assigned to the bank facilities of HPIL to the 'issuer non-cooperation category vide a press release dated September 29<sup>th</sup>, 2021, on account of its inability to review in the absence of the best available information from the company.

**Acuite** has moved the ratings assigned to the bank facilities of HPIL to the 'issuer non-cooperation category vide a press release dated June 29<sup>th</sup>, 2022, on account of its inability to review in the absence of the best available information from the company.

**ICRA** has suspended the ratings assigned to the bank facilities of HPIL vide a press release dated July 01, 2014, on account of its inability to review in the absence of the best available information from the company.

**Any other information:** Not Applicable

**Rating History for the last three years:** Please refer to Annexure-2

**Covenants of rated instrument/facility:** Annexure 3

**The complexity level of various instruments rated for this company:** Annexure 4

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)*	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	January-2021	0.26	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	September-2021	0.89	CARE BB; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	18.00	CARE BB; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	4.00	CARE A4; ISSUER NOT COOPERATING*

\*Updated maturity date not available.

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	0.26	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (28-Oct-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)
2	Fund-based - LT-Term Loan	LT	0.89	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (28-Oct-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)
3	Fund-based - LT-Cash Credit	LT	18.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (28-Oct-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)
4	Non-fund-based - ST-Bank Guarantee	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Oct-21)	1)CARE A4; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE A4+; ISSUER NOT COOPERATING* (16-Jul-19)
5	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (28-Oct-21)	1)CARE A4; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE A4+; ISSUER NOT COOPERATING* (16-Jul-19)

\*Long-term/Short-term.

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not Applicable**

#### Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple

#### Annexure-5: Bank lender details for this company

To view the lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

#### Contact us

##### Media Contact

Name: Mradul Mishra  
Phone: +91-22-6754 3596  
E-mail: [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

##### Analyst Contact

Name: Nivedita Anirudh Ghayal  
Phone: 9908090944  
E-mail: [nivedita.ghayal@careedge.in](mailto:nivedita.ghayal@careedge.in)

##### Relationship contact

Name: Ramesh Bob Asineparthi  
Phone: +91 90520 00521  
E-mail: [ramesh.bob@careedge.in](mailto:ramesh.bob@careedge.in)

##### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by methodologies congruent with international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

##### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For the detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**