

## Harsh Polyfabric Private Limited

May 11, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	10.40	CARE B+; Stable; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable; (Double B Minus; Outlook: Stable)
Long Term / Short Term Bank Facilities	0.60	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING* (Single B Plus; Outlook: Stable/ A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; Stable / CARE A4; (Double B Minus ; Outlook: Stable / A Four)
Short Term Bank Facilities	0.40	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>11.40 (Rs. Eleven Crore and Forty Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated February 16, 2021, placed the rating(s) of Harsh Polyfabric Private Limited (HPPL) under the 'issuer non-cooperating' category as HPPL 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. HPPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated January 02, 2022, January 12, 2022, January 22, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'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).**

The ratings assigned to the bank facilities of HPPL have been revised on account of non-availability of requisite information. The ratings also factored in decline in operating profit margin and leveraged capital structure during FY21.

### Detailed description of the key rating drivers

Please refer to PR dated [February 16, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

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

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Harsh Polyfabric Private Limited (HPPL) is a family managed company, incorporated in February 1992, promoted by Mr. Pramod Agarwal and Mrs. Anjula Agarwal (w/o Mr. Pramod Agarwal). Initially, HPPL was incorporated as Babbu Fiscal Services Pvt. Ltd. to serve the investment need of the promoters. In May 2007, the company was rechristened as Harsh Polyfabric Private Limited and commenced its commercial operation from July, 2008. HPPL is engaged in manufacturing of Polypropylene spun-bond nonwoven fabrics (PPSNF) with installed capacity of 5,400 MT per annum. This apart, it is also engaged in trading of plastic granules (13.6% of turnover in FY19). HPPL sells its products majorly in West Bengal, Jharkhand, Delhi and Tamilnadu. HPPL is a closely held company managed by a two member board where both the board members represent the promoter's family.

<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

Currently, the day to day affairs of HPPL are managed by Mr. Pramod Agarwal, Managing Director, with adequate support from other co-director and a team of experienced professionals.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	31-03-2022 (Prov.)
Total operating income	60.21	61.75	NA
PBILDT	4.48	3.61	NA
PAT	1.54	1.74	NA
Overall gearing (times)	1.26	1.88	NA
Interest coverage (times)	2.39	2.74	NA

A: Audited, Prov.: Provisional, NA: Not Available

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

**Any other information:** Not Applicable

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

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

**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	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	10.40	CARE B+; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.40	CARE A4; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	0.60	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

#### Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	10.40	CARE B+; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE BB; Stable (30-Mar-20) 2)CARE BB-; Stable; ISSUER NOT COOPERATING* (06-Mar-20) 3)CARE BB; Stable (25-Jul-19)
2	Non-fund-based - ST-Bank Guarantee	ST	0.40	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE A4 (30-Mar-20) 2)CARE A4; ISSUER NOT COOPERATING* (06-Mar-20) 3)CARE A4 (25-Jul-19)

3	Fund-based/Non-fund-based-LT/ST	LT/ST*	0.60	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (16-Feb-21)	1)CARE BB; Stable / CARE A4 (30-Mar-20) 2)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (06-Mar-20) 3)CARE BB; Stable / CARE A4 (25-Jul-19)
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\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of covenants of rated instrument/facility:** Not Applicable

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

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based/Non-fund-based-LT/ST	Simple
3	Non-fund-based - ST-Bank Guarantee	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 instrument:** CARE has classified instruments rated by it on the basis of 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: Mr. Mradul Mishra  
Contact no.: +91-22-6754 3596  
Email ID: [mradul.mishra@careedge.in](mailto:mradul.mishra@careedge.in)

### Analyst Contact

Group Head Name: Shachee Nakul Vyas  
Group Head Contact no.: 8511182592  
Group Head Email ID: [shachee.tripathi@careedge.in](mailto:shachee.tripathi@careedge.in)

### Relationship Contact

Name: Lalit Sikaria  
Contact no.: 9830386869  
Email ID: [lalit.sikaria@careedge.in](mailto:lalit.sikaria@careedge.in)

### About CARE Ratings Limited:

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