

Hisar Metal Industries Limited

September 13, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn
Total Bank Facilities	0.00 (₹ Only)		

Details of instruments/facilities in Annexure-1.

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the outstanding ratings of 'CARE BB-; Stable INC /CARE A4 INC; (BB minus; Outlook: Stable/ A Four, Issuer not cooperating) assigned to the bank facilities of Hisar Metal Industries Limited) with immediate effect. The above action has been taken at the request of Hisar Metal Industries Limited and 'No Dues Certificate' received from the lender that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable criteria

[Policy on default recognition](#)
[Financial Ratios – Non financial Sector](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Credit Watch](#)
[Short Term Instruments](#)
[Manufacturing Companies](#)
[Policy on Withdrawal of Ratings](#)

About the Company – Incorporated in May, 1990, Hisar Metal Industries Limited (HMIL) is engaged in the business of manufacturing cold rolled stainless steel strips at its factory in Hisar, Haryana having an installed capacity of 19,200 MT as on March 31, 2019. The company was originally incorporated as private limited company but was subsequently converted in Public Limited Company in 1992. It is listed on Delhi Stock Exchange and Bombay Stock Exchange. The company's products find application in automotive parts, watches, camera, clamps, floppy disks, fiber optics, pens, packaging, needles, rings, thermometers, etc. The company is also engaged in job work which includes the reduction of thickness of coils and strips.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	Q1FY23 (UA)
Total operating income	153.08	238.45	82.35
PBILD	14.85	23.31	7.05
PAT	5.41	12.06	3.94
Overall gearing (times)	1.12	0.96	-
Interest coverage (times)	4.95	4.70	5.64

A: Audited; UA: Un- Audited

Status of non-cooperation with previous CRA: NA

Any other information: NA

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

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

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

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-BG/LC		-	-	-	0.00	Withdrawn

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-Cash Credit	LT	-	-	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (08-Jul-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (25-Nov-19) 2)CARE BBB-; Stable; ISSUER NOT COOPERATING* (31-Jul-19)
2	Non-fund-based - ST-BG/LC	ST	-	-	-	1)CARE A4; ISSUER NOT COOPERATING* (17-Aug-21)	1)CARE A4; ISSUER NOT COOPERATING* (08-Jul-20)	1)CARE A4+; ISSUER NOT COOPERATING* (25-Nov-19) 2)CARE A3; ISSUER NOT COOPERATING* (31-Jul-19)

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities

Name of the Instrument	Detailed Explanation
A. Financial covenants	NA
B. Non-financial covenants	NA

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	Non-fund-based - ST-BG/LC	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 on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us**Media contact**

Name: Mradul Mishra

Phone: +91-22-6754 3596

E-mail: mradul.mishra@careedge.in

Analyst contact

Name: Ajay Kumar Dhaka

Phone: 8826868795

E-mail: ajay.dhaka@careedge.in

Relationship contact

Name: Swati Agrawal

Phone: +91-11-4533 3200

E-mail: swati.agrawal@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 the methodologies congruent with the 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**