

## Harihar Alloys Private Limited

January 20, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	13.22	CARE B-; ISSUER NOT COOPERATING* (Single B Minus; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B; (Single B)
<b>Total Bank Facilities</b>	<b>13.22</b> <b>(Rs. Thirteen Crore and Twenty-Two Lakhs Only)</b>		

*Details of facilities in Annexure-1*

#### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 08, 2021, placed the rating(s) of Harihar Alloys Private Limited (HAPL) under the 'issuer non-cooperating' category as HAPL 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. HAPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 24, 2021, December 04, 2021 and December 14, 2021.

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 HAPL have been revised on account of non-availability of requisite information. The rating also factored in significant decline in profitability, capital structure and debt coverage indicators during FY20 over FY19.

#### Detailed description of the key rating drivers

Please refer to PR dated [January 08, 2021](#)

**Analytical approach:** Standalone

#### Applicable Criteria

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

[Policy on default recognition](#)

#### About the Company

Harihar Alloys Private Limited (HAPL) is primarily engaged in manufacture of carbon steel castings, low alloy steel castings and forged components. The castings and forging components manufactured by HAPL include valve components, oil field equipment components, etc. HAPL mainly caters to oil & gas, earth moving and engineering industries in domestic and international market

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22 (Prov.)
Total operating income	143.36	NA	NA
PBILD	16.22	NA	NA
PAT	1.62	NA	NA
Overall gearing (times)	4.57	NA	NA
Interest coverage (times)	1.92	NA	NA

*A: Audited; Prov.: Provisional; NA: Not available*

**Status of non-cooperation with previous CRA:** India Ratings vide its press release dated November 25, 2021 has continued the rating of HAPL to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the company.

**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 firm:** Annexure-4

<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

**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-Term Loan		-	-	July 2022	7.22	CARE B-; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	6.00	CARE B-; 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	Type	Current Ratings		Rating history			
			Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	7.22	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (08-Jan-21)	1)CARE B; ISSUER NOT COOPERATING* (19-Dec-19)	1)CARE B; ISSUER NOT COOPERATING* (16-Jul-18)
2	Fund-based - LT-Cash Credit	LT	6.00	CARE B-; ISSUER NOT COOPERATING*	-	1)CARE B; ISSUER NOT COOPERATING* (08-Jan-21)	1)CARE B; ISSUER NOT COOPERATING* (19-Dec-19)	1)CARE B; ISSUER NOT COOPERATING* (16-Jul-18)
3	Non-fund-based - ST-BG/LC	ST	-	-	-	-	1)Withdrawn (23-Dec-19)	1)CARE A4; ISSUER NOT COOPERATING* (16-Jul-18)
4	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (23-Dec-19)	-
5	Fund-based - LT-Cash Credit	LT	-	-	-	-	1)Withdrawn (23-Dec-19)	-
6	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (19-Dec-19)	-

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

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable**Annexure 4: Complexity level of various instruments rated for this firm**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

**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 for any clarifications.

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### About CARE Ratings:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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