

## Hariom Pipe Industries Limited

October 28, 2021

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings <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>(Rs. Twenty-Three</b> <b>Crore and Sixty-Five</b> <b>Lakhs Only)</b>		

*Details of instruments/facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE had, vide its press release dated October 12, 2020, 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 submission of information through e-mails, phone calls and a letter/email dated August 28, 2021, September 07, 2021, and September 17, 2021.

In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of 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).**

### Detailed description of the key rating drivers

Please refer to PR dated [October 12, 2020](#)

**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

Hyderabad based, Hariom Pipe Industries Limited (HPIL), erstwhile Hariom Comcast & 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 of various steel products such as Mild Steel Billets, Hot Rolled Strips, Mild Steel Tubes and Scaffolding, at its manufacturing unit located at Balanagar Mandal, Mahabubnagar District, and Telangana State. The company is an ISO 9001:2015 and IS 2830:2012 certified company and sells its products under the brand name of 'HARIOM'. The company generates almost all of its revenue from southern region which includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana.

Brief Financials (Rs. crore)	FY19(A)	FY20(A)
Total operating income	133.92	160.78
PBILDT	17.31	23.54
PAT	8.22	8.36
Overall gearing (times)	1.23	1.90
Interest coverage (times)	5.21	3.37

A: Audited

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

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

**Status of non-cooperation with previous CRA:** Brickwork has moved the ratings assigned to the bank facilities of HPIL to the 'issuer not-cooperating' category vide press release dated September 29, 2021 on account its inability to carryout review in the absence of best available information from the company.

Acuite has moved the ratings assigned to the bank facilities of HPIL to the 'issuer not-cooperating' category vide press release dated January 29, 2021 on account its inability to carryout review in the absence of best available information from the company

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

**Any other information:** Not Applicable

**Disclosure of Interest of Independent/Non-Executive Directors or Managing Director& CEO:** 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-Term Loan		-	-	January-2019	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 Guarantees		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	4.00	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 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	0.26	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)	1)CARE BB+; Positive (06-Sep-18)
2	Fund-based - LT-Term Loan	LT	0.89	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)	1)CARE BB+; Positive (06-Sep-18)
3	Fund-based - LT-Cash Credit	LT	18.00	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE BB+; Stable; ISSUER NOT COOPERATING* (16-Jul-19)	1)CARE BB+; Positive (06-Sep-18)
4	Non-fund-based - ST-Bank Guarantees	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE A4+; ISSUER NOT COOPERATING* (16-Jul-19)	1)CARE A4+ (06-Sep-18)
5	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (12-Oct-20)	1)CARE A4+; ISSUER NOT COOPERATING* (16-Jul-19)	1)CARE A4+ (06-Sep-18)

\*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 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 Guarantees	Simple
4	Non-fund-based - ST-Letter of credit	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

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