

Hariom Pipe Industries Limited
July 16, 2019

Rating

Facilities/Instruments	Amount (Rs. crore)	Ratings ¹	Rating Action
Long term Bank Facilities	19.15	CARE BB+; Stable; Issuer not cooperating (Double B Plus; Outlook: Stable) Issuer not Cooperating *	Issuer not cooperating: Revised from CARE BB+; Positive; (Double B Plus; Outlook: Positive) On the basis of best available Information*
Short term Bank Facilities	4.50	CARE A4+; Issuer not cooperating* (A Four Plus Issuer not cooperating)	Issuer not Cooperating; On the basis of best available Information*
Total	23.65 (Rupees Twenty Three crore and Sixty Five Lakhs only)		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has been seeking no default statement from Hariom Pipe Industries Limited (HPIL) to monitor the rating vide e-mail communications dated May 08, 2019, May 31, 2019, June 03, 2019, June 28, 2019, July 05, 2019 and numerous phone calls. However, despite our repeated requests, the firm has not provided no default statement for monitoring the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the publicly available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. The ratings on HPIL's bank facilities will now be denoted as **CARE BB+; Stable & CARE A4+; ISSUER NOT COOPERATING***.

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

For detail strengths and weakness considered during last review please refer to our press release published on September 06, 2018.

Analytical approach: Standalone

Applicable Criteria:

[Criteria on assigning Outlook to Credit Ratings](#)

[CARE's Policy on Default Recognition](#)

[Financial ratios – Non-Financial Sector](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology-Steel industry](#)

[Rating Methodology-Manufacturing Companies](#)

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications

*Issuer did not cooperate; Based on best available information

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	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* Issuer not cooperating; Based on best available information
Fund-based - LT-Term Loan	-	-	September 2021	0.89	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - LT-Cash Credit	-	-	-	18.00	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Bank Guarantees	-	-	-	0.50	CARE A4+; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Non-fund-based - ST-Letter of credit	-	-	-	4.00	CARE A4+; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information

*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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	0.26	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB+; Positive (06-Sep-18)	1)CARE BB+; Positive (14-Mar-18)	-
2.	Fund-based - LT-Term Loan	LT	0.89	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB+; Positive (06-Sep-18)	1)CARE BB+; Positive (14-Mar-18)	-
3.	Fund-based - LT-Cash Credit	LT	18.00	CARE BB+; Stable; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE BB+; Positive (06-Sep-18)	1)CARE BB+; Positive (14-Mar-18)	-
4.	Non-fund-based - ST-Bank Guarantees	ST	0.50	CARE A4+; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE A4+ (06-Sep-18)	1)CARE A4+ (14-Mar-18)	-

5.	Non-fund-based - ST-Letter of credit	ST	4.00	CARE A4+; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	-	1)CARE A4+ (06-Sep-18)	1)CARE A4+ (14-Mar-18)	-
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**Issuer did not cooperate: based on best available information*

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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an *External Credit Assessment Institution (ECAI)* by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**