

Hitech Corporation Limited

May 23, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Fixed Deposit Programme	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the rating assigned to the Fixed Deposit (FD) Programme of Hitech Corporation Ltd. (HCL) with immediate effect, as the company has repaid the aforementioned FD in full and there is no amount outstanding under the issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Incorporated in 1991, Hitech Corporation Limited (HCL) is promoted by Mr Ashwin Dani, one of the three founder promoters of Asian Paints Ltd. The company is engaged in the manufacturing and sale of polymer products like pails or containers or buckets to various industries like paint, personal care, agro chemicals, health care, confectionary, lube and retail household products. The company derives majority of its revenues from paint container segment. HCL has 12 manufacturing units and one technology centre and is one of the largest manufacturers of paint containers in the India with combined capacity of 35,000 mtpa as on March 31, 2018. The company has prominent clientele base which include companies such as Asian Paints Ltd., Pidilite Ltd & Glaxosmithkline.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)*
Total operating income	389.11	462.41
PBILDT	37.95	52.06
PAT	7.76	16.40
Overall gearing (times)	1.36	1.05
Interest coverage (times)	2.73	2.61

A: Audited; *Limited Review

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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
Fixed Deposit	-	-	September 27, 2018	-	Withdrawn

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.	Fixed Deposit	LT	-	-	-	1) CARE A+ (FD); Stable (17-Sep-18)	1) CARE A+ (FD); Stable (29-Aug-17)	1) CARE A+ (FD); Stable (18-Aug-16)

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

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.

Contact us

Media Contact

Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact

Group Head Name – Kunal B Shah
Group Head Contact no.- +91-22-67543451
Group Head Email ID- kunalb.shah@careratings.com

Business Development Contact

Name: Rashmi Shah
Contact no. : +91-22-67543429
Email ID : rashmi.shah@careratings.com

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

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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