

September 23, 2025

## New Horizons Private Limited: Update on entity

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating
Long-term Fund-based – Working Capital Facilities	45.96	45.96	[ICRA]BB (Stable); outstanding
Long-term Fund-based – Term Loan	6.21	6.21	[ICRA]BB (Stable); outstanding
Short-term Non-Fund based – Forward Contract	0.60	0.60	[ICRA]A4+; outstanding
Long-term/ Short-term – Unallocated Limits	2.23	2.23	[ICRA]BB (Stable)/ [ICRA]A4+; outstanding
<b>Total</b>	<b>55.00</b>	<b>55.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

Indian exporters are navigating a turbulent trade environment, with recent tariff hikes by the US threatening to reshape the long-standing business dynamics. The US has imposed a punitive 25% duty on select Indian goods, effective August 27, 2025, which significantly increased the overall tariff burden. In addition to these reciprocal tariffs, the US has also levied duties on various products, including leather and their derivative products under the Trade Expansion Act.

New Horizons Private Limited's (NHPL) business has also been impacted by the turbulent trade environment, with most of its products falling under the US-imposed tariff categories. NHPL has derived approximately 62% of its overall revenues from the US in FY2025, hence, more than half of its business is exposed to the elevated US tariffs.

ICRA held discussions with the company's management to assess the potential impact of the US tariff on the company's operations. However, the company's has comfortable liquidity to service its scheduled debt repayment obligations of Rs. 1-2 crore in FY2026. NHPL has buffer in its working capital limits of about Rs. 10 crore on an average in the 12-months period ending in August 2026. This liquidity buffer continues to support its credit profile and is expected to help the company withstand any adverse development arising from the trade situation. Nonetheless, ICRA will continue to monitor the evolving environment and its implications on NHPL's credit profile.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the standalone financial statements of the company

## About the company

New Horizons Private Limited (NHPL) was incorporated in 1976 as a private limited company. It was converted into a public limited company in 1996 before being converted into a private limited company again in 2015. NHPL manufactures industrial safety products, which are entirely exported to the US, European nations and others. The company primarily manufactures leather gloves along with leather apron, leg guard, belt, arm protector etc. The company has two manufacturing facilities in Kolkata. NHPL has an installed capacity to produce 80 lakh pair of leather gloves per annum. The company also has a tannery with a capacity of 15 lakh sq. ft. per month at Kolkata Leather Complex.

## Key financial indicators

NHPL – Standalone	FY2024	FY2025*
Operating income	97.9	110.2
PAT	0.8	1.0
OPBDIT/OI	3.8%	3.9%
PAT/OI	0.8%	0.9%
Total outside liabilities/Tangible net worth (times)	2.6	2.3
Total debt/OPBDIT (times)	11.9	9.3
Interest coverage (times)	1.2	1.1

Source: Company, ICRA Research; \*Provisional financials submitted by company; All ratios as per ICRA's calculations; Amount in Rs. crore  
 PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Instrument	Type	Current ratings (FY2026)		Chronology of rating history for the past 3 years		
		Amount rated (Rs. crore)	Date & rating in FY2026	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023
			Sep 23, 2025	Sep 6, 2024	Aug 8, 2023	-
1 Fund-based Working Capital Facilities	Long Term	45.96	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-
2 Term Loan	Long Term	6.21	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB (Stable)	-
3 Non-Fund based – Forward Contract	Short Term	0.60	[ICRA]A4+	[ICRA]A4+	[ICRA]A4+	-
4 Unallocated Limits	Long Term/ Short-term	2.23	[ICRA]BB (Stable)/ [ICRA]A4+	[ICRA]BB (Stable)/ [ICRA]A4+	[ICRA]BB (Stable)/ [ICRA]A4+	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based – Working Capital Facilities	Simple
Long-term fund-based – Term Loan	Simple
Short-term non-fund based – Forward Contract	Very Simple
Unallocated Limits	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Working Capital Facilities	-	-	-	45.96	[ICRA]BB (Stable)
NA	WCTL/ CGECL 1	FY2021	-	FY2025	1.71	[ICRA]BB (Stable)
NA	WCTL/ CGECL 2	FY2022	-	FY2027	4.50	[ICRA]BB (Stable)
NA	Forward Contract	-	-	-	0.60	[ICRA]A4+
NA	Unallocated Limits	-	-	-	2.23	[ICRA]BB (Stable)/ [ICRA]A4+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis: Not Applicable**

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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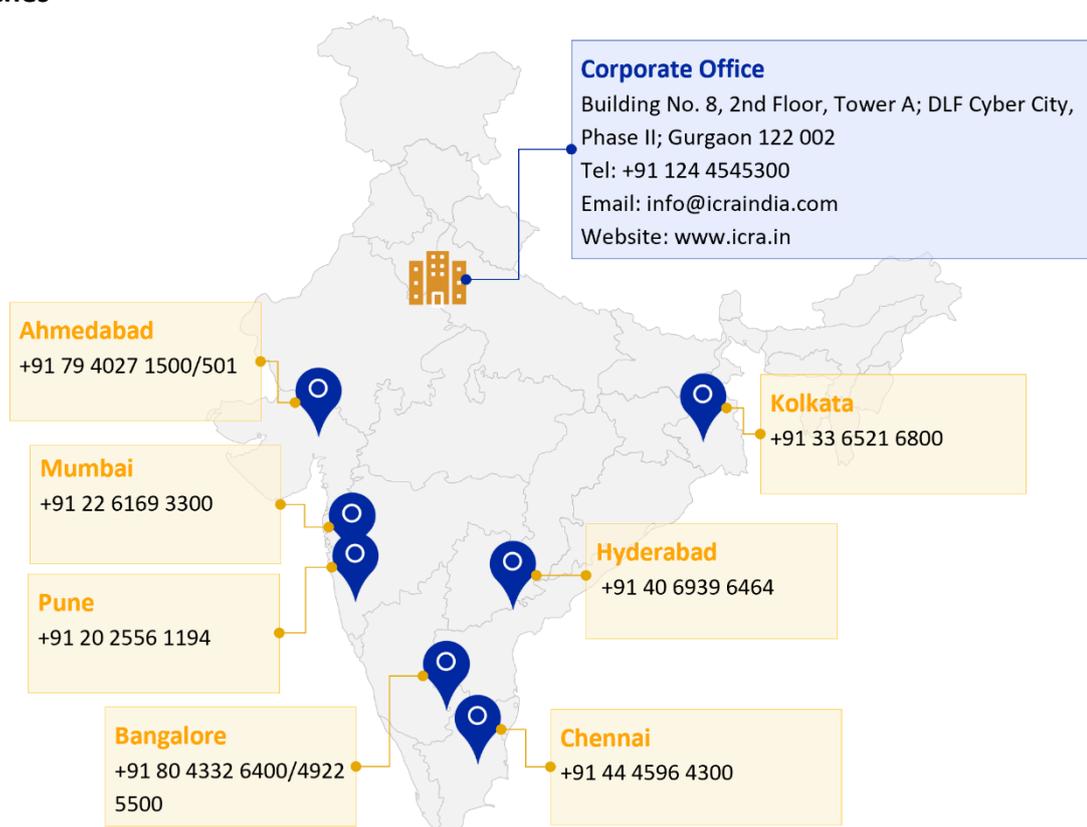
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