

December 04, 2023

Hydropack (India) Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term – Fund Based – Cash Credit	2.50	2.50	[ICRA]BB(Stable); withdrawn
Short Term – Non-Fund Based – Bank Guarantee	2.50	2.50	[ICRA]A4+; withdrawn
Total	5.00	5.00	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the ratings assigned to the bank facilities of **Hydropack (India) Private Limited** at the request of the company and based on the No Objection Certificate received from the bankers, and in accordance with ICRA's policy on withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The Key Rating Drivers, Liquidity Position, and Rating Sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the standalone financial statements of the company.

About the company

HIPL, incorporated in 1989, manufactures custom-made and standard hydraulic equipment such as hydraulic presses, hydraulic lifts, remote-controlled jacks, lifting platforms, linear actuators, etc. The company was founded by four technocratic promoters, Mr. Sudhir Darekar, Mr. Shrinivas Huddar, the Late R.S. Jakati, and Mr. Ramakrishnan. It manufactures hydraulic equipment for various industries such as railways, shipbuilding, construction, automotive, power generation, etc. HIPL's product range includes standard equipment and customised machines with tools to meet the specific requirements of the customers. Its manufacturing facilities are in Belgaum, Karnataka.

Key financial indicators (audited):

HIPL Standalone	FY2021	FY2022
Operating Income (Rs. crore)	12.37	15.59
PAT (Rs. crore)	0.36	0.59
OPBDIT/OI (%)	5.86%	7.83%
PAT/OI (%)	2.89%	3.79%
Total Outside Liabilities/Tangible Net Worth (times)	0.67	0.65
Total Debt/OPBDITA (times)	1.75	0.97
Interest Coverage (times)	8.36	7.84

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

SN	Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
			Amount Rated (Rs. crore)	Amount Outstanding March 31, 2023 (Rs. crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Dec 04, 2023	Oct 31, 2022	Oct 29, 2021	Oct 07, 2020
1	Fund Based – Cash Credit	Long-Term	2.50	-	[ICRA]BB(Stable); Withdrawn	[ICRA]BB (Stable)	[ICRA]BB (Stable)	[ICRA]BB- (Stable)
2	Non-Fund Based – Bank Guarantee	short term	2.50	-	[ICRA]A4+; Withdrawn	[ICRA]A4+	[ICRA]A4+	[ICRA]A4

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long Term - Fund based – Cash credit	Simple
Short Term - Non – fund based – Bank Guarantee	Very Simple

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 Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Fund based – Cash Credit	NA	NA	NA	2.50	[ICRA]BB(Stable); Withdrawn
NA	Non-fund-based limits – Bank Guarantee	NA	NA	NA	2.50	[ICRA]A4+; Withdrawn

Source: Company

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

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Branches



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