March 21, 2024

Heurtey Petrochem India Private Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	38.50	38.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Short Term-Non-Fund Based	151.50	151.50	[ICRA]A4; ISSUER NOT COOPERATING*. Rating Continues to remain under the 'Issuer Not Cooperating' category.
Total	**190.00**	**190.00**	

**Issuer did not cooperate; based on best available information.*
^Instrument details are provided in Annexure-1

Rationale

ICRA has kept the long-term and short-term rating of Heurtey Petrochem India Private Limited in the 'Issuer Not Cooperating' category. The ratings are denoted as [ICRA]B+(Stable)/[ICRA]A4; ISSUER NOT COOPERATING"

As part of its process and in accordance with its rating agreement with Heurtey Petrochem India Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

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** ICRA is unable to provide the latest information because of non-cooperation by the entity.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Corporate Credit Rating Methodology Rating Methodology-Chemicals
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

Incorporated in 2004, HPIPL a regional operating centre in India, which belongs to Axens Group. Its corporate office is in Mumbai with a manufacturing facility in Vadodara, Gujarat. The company is into designing, procuring and manufacturing of furnaces, waste heat recovery units (WHRU), furnace studies and revamps, spare parts, technical support and training.

Axens, an IFP Energies nouvellesgroup company, was created in 2001 through the merger of Procatalyse with the Technology Licensing & Service Division of IFP Energies nouvelles. In 2018, Axens acquired 100% of the shares of Heurtey Petrochem. From2019, the furnace activities and services operate under the Heurtey Petrochem Solutions brand. Following this acquisition, Axens has expanded its portfolio of solutions and is now capable of supplying its customers with an integrated solution. Thisincludes a comprehensive range of solutions forthe conversion of oil and biomass into clean fuels, the production and purification of the major petrochemical intermediates, as well as the treatment and conversion of natural gas by providing technologies, equipment, furnaces, modular units, catalysts, adsorbents and associated services. In

FY2022, HPIPL reported a net loss of Rs. 16.4 crore on an OI of Rs. 114.7 crore compared to a net loss of Rs. 34.0 crore on an OI of Rs. 137.5 crore in FY2021.

Key Financial Indicator

	FY2022 (in crore)	FY2023 (in crore)
Operating income	115.1	134.4
PAT	-16.4	-13.7
OPBDIT/OI	-24.7%	-7.0%
PAT/OI	-14.2%	-10.2%
RoCE (%)	-12.7%	-8.0%
Total outside liabilities/Tangible net worth (times)	7.6	3.7
Total debt/OPBDIT (times)	-2.5	-4.6
Interest coverage (times)	-5.0	-1.8

Source: MCA

Status of non-cooperation with previous CRA:NA

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
					Mar 21, 2024	Jan 20, 2023	Oct 07, 2021	-
1	Cash Credit	Long Term	38.50	-	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]B+(Stable); ISSUER NOT COOPERATING	[ICRA]BB(Stable)	-
2	Non-Fund Based	Short Term	151.50	-	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4; ISSUER NOT COOPERATING	[ICRA]A4	-

Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Non-Fund Based	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, is available on ICRA's website: Click Here

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	38.50	[ICRA]B+(Stable); ISSUER NOT COOPERATING
NA	Non-Fund Based	-	-	-	151.50	[ICRA]A4; ISSUER NOT COOPERATING

Source: Heurtey Petrochem India Private Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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.

For more information, visit www.icra.in

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