

February 13, 2020

Hoin Mal Sons Enterprises Private Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Fund based - Term Loan	9.50	9.50	[ICRA]BB- (Stable); withdrawn
Fund based - Cash Credit	9.90	9.90	[ICRA]BB- (Stable); withdrawn
Total	19.40	19.40	

*Instrument details are provided in Annexure-1

Rationale

The ratings assigned to the bank loans of Hoin Mal Sons Enterprises Private Limited (HMS) have been withdrawn in accordance with ICRA's policy on withdrawal and suspension, and as desired by the company on receipt of no dues certificate provided by the bank. ICRA does not have adequate information to suggest that the credit risk has changed since the time the ratings were last reviewed.

Key rating drivers and their description

Not captured as the ratings are being withdrawn

Liquidity position

Not captured as the ratings are being withdrawn

Rating sensitivities

Not captured as the ratings are being withdrawn

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Corporate Credit Rating Methodology ICRA Policy on Withdrawal and Suspension of Credit Rating
Parent/Group Support	Not applicable
Consolidation/Standalone	Not applicable

About the company

Hoin Mal Sons Enterprises Private Limited (HMS) was incorporated in 2008 by Mr. Anshul Chandwani and Mr. Chandan Chandwani, along with other members of their family. The company commenced commercial operations in April 2014. The company at present has a billet manufacturing unit and a rolling mill unit having installed capacities of 42,000 tons per annum each at its manufacturing unit in the Uttar Pradesh State Industrial Development Corporation (UPSIDC) Industrial Area in Rae Bareli. The company is a part of the Chandwani Group, which has other companies in a similar line of business.

Key financial indicators (audited)

	FY2017	FY2018
Operating Income (Rs. crore)	51.74	70.29
PAT (Rs. crore)	-0.09	1.43
OPBDIT/OI (%)	2.75%	4.52%
RoCE (%)	3.61%	9.97%
TOL/TNW (times)	3.02	2.47
Total Debt/OPBDITA (times)	12.23	3.21
Interest Coverage (times)	1.43	3.38
DSCR	0.76	1.49

Source: Financial statements of HMS; ICRA research

Status of non-cooperation with previous CRA: None

Any other information: None

Rating history for past three years

SNo	Name of Instrument	Type	Current Rating (FY2020)			Chronology of Rating History for the Past 3 years		
			Rated amount	Amount outstanding	Month-year & Rating	Month- year and Rating in		
						(Rs. crore)	FY2019	FY2018
					February 13, 2020	March 27, 2019	March 26, 2018	February 9, 2017
1	Term Loan	Long Term	9.50	-	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	[ICRA]B+(Stable)	[ICRA]B+(Stable)
2	Cash Credit	Long Term	9.90	-	[ICRA]BB-(Stable); withdrawn	[ICRA]BB-(Stable)	[ICRA]B+(Stable)	[ICRA]B+(Stable)

Amount in Rs. Crore

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Fund based- Term Loan	2014	-	October 2021	9.50	[ICRA]BB- (Stable); withdrawn
-	Fund based- Cash Credit	2014	-	-	9.90	[ICRA]BB- (Stable); withdrawn

Source: HMS

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

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