

## Hero Wiretex Limited

November 18, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	35.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	15.00	CARE D; ISSUER NOT COOPERATING* (Single D; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>50.00</b> <b>(Rs. Fifty Crore Only)</b>		

*Details of instruments/facilities in Annexure-1*

*\*Issuer did not cooperate; based on best available information*

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated September 22, 2021, placed the rating(s) of Hero Wiretex Limited (HWL) under the 'issuer non-cooperating' category as HWL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. HWL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated August 08, 2022, August 18, 2022, August 28, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

### Detailed description of the key rating drivers

Please refer to PR dated [September 22, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

### About the Company

Initially Hero Wiretex Limited (HWL) was incorporated in February 11, 1991 as SVR cables private limited (SVR) which is engaged in manufacturing of Electrical Conductors, LT Aerial Bunched Cable (LTAB)/XLPE Cables, Aluminum Conductors Steel Re-inforced (ASCR) Conductors and Double Paper Covering (DPC) Wire. Later in 2004, the name of SVR was changed to Hero Wiretex Private Limited. Further in August 2014, Sri G. Mohan Rao took over the company. The company is into trading of raw materials necessary for assembly and erection of Transmission Towers. Apart from trading activity, the company is manufacturing LTAB/XLPE Cables, Aluminum (AAC, AAAC, and ASCR) Conductors and DPC Wire. The company is a registered vendor to the Andhra Pradesh and Telangana Power Distribution companies for supply of power cables and conductors. The company is having good presence in Andhra Pradesh (A.P.), Telangana, Tamilnadu and Orissa.

Brief Financials (Rs. crore)	FY20 (A)	FY21(A)	FY22(A)	H1FY23(Prov.)
Total operating income	2.51	0.40	12.83	NA
PBILD	-4.13	-1.15	-11.72	NA
PAT	-6.41	-4.83	-15.85	NA
Overall gearing (times)	1.91	2.86	NM	NA
Interest coverage (times)	NM	NM	NM	NA

A: Audited; Prov: Provisional; NA: Not Available, NM – Not meaningful

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** Brickwork has continued the ratings assigned to the bank facilities of HWL to the 'issuer not-cooperating' category vide press release dated March 02, 2022 on account its inability to carryout review in the absence of best available information from the company.

**Any other information:** Not Applicable

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

**Covenants of rated instrument/facility:** Annexure 3

**Complexity level of various instruments rated for this company:** Annexure 4

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	20.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-EPC/PSC		-	-	-	15.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Foreign Bill Discounting		-	-	-	3.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	2.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	10.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; Based on best available information

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	20.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Jul-19)
2	Non-fund-based - ST-Letter of credit	ST	10.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Jul-19)
3	Non-fund-based - ST-Bank Guarantee	ST	2.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Jul-19)
4	Fund-based - ST-Foreign Bill Discounting	ST	3.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Jul-19)
5	Fund-based - LT-EPC/PSC	LT	15.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (22-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (10-Sep-20)	1)CARE D; ISSUER NOT COOPERATING* (04-Jul-19)

\*Issuer did not cooperate; Based on best available information

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of various instruments rated for this company**

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-EPC/PSC	Simple
3	Fund-based - ST-Foreign Bill Discounting	Simple
4	Non-fund-based - ST-Bank Guarantee	Simple
5	Non-fund-based - ST-Letter of credit	Simple

**Annexure-5: Bank lender details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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**About CARE Ratings Limited:**

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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