



## Press Release

### Kritika Wires Limited

March 3, 2025

#### Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	56.50	IVR BBB-/ Negative ISSUER NOT COOPERATING* (IVR triple B minus with Negative outlook Issuer Not Cooperating)	IVR BBB/ Stable (IVR Triple B with Stable outlook)	Rating downgraded and moved to Issuer Not Cooperating category; Outlook revised	<a href="#">Simple</a>
Short Term Bank Facilities	48.08	IVR A3 ISSUER NOT COOPERATING* (IVR A three Issuer Not Cooperating)	IVR A3+ (IVR A three plus)	Rating downgraded and moved to Issuer Not Cooperating category	<a href="#">Simple</a>
<b>Total</b>	<b>104.58 (One hundred four crore and fifty eight lakh only)</b>				

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

**Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.**

#### Detailed Rationale

Infomerics has downgraded the ratings and moved the ratings assigned to the bank facilities of Kritika Wire Limited (KWL) in the ISSUER NOT COOPERATING category because of non-receipt of no default statement for the months of December 2024, January 2025, and February 2025 from the company and hence the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its ratings and reviews the same as per its policy. The long-term rating outlook has been changed from Stable to Negative due to information availability risk. The lenders, investors and other market



## Press Release

participants are thus advised to exercise appropriate caution while using these ratings as the ratings may not adequately reflect the credit risk profile of the entity.

### **Non-cooperation by Issuer**

Infomerics has been regularly following up with the company to provide No default Statement (NDS) for the month of December 2024, January 2025 and February 2025 to monitor its assigned rating to the bank facilities, vide mail communications dated January 28<sup>th</sup>, 2025, February 5<sup>th</sup>, 2025, February 6<sup>th</sup>, 2025, February 7<sup>th</sup>, 2025, February 25<sup>th</sup>, 2025, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the NDS for the past 3 months.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the ratings based on the best available information. Accordingly, the ratings assigned to the bank loan facilities aggregating to INR 104.58 crore of Kritika Wires Limited shall be moved to the 'ISSUER NOT COOPERATING' category by Infomerics and the long-term rating be noted as 'IVR BBB-/ Negative ISSUER NOT COOPERATING' based on best available information (IVR triple B minus with Negative Outlook Issuer not cooperating based on best available information) and the short-term rating be noted as 'IVR A3 ISSUER NOT COOPERATING' based on best available information (IVR A three Issuer not cooperating based on best available information).

**Analytical Approach:** Standalone

**Applicable Criteria:**

[Rating Methodology for Manufacturing Companies](#)

[Criteria of assigning Rating outlook](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

[Financial Ratios & Interpretation \(Financial Sector/Non- Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

**About the Company**



## Press Release

Incorporated in 2004, Kritika Wires Limited (KWL; formerly known as Kritika Wires Private Limited) is a part of West Bengal based 'Jai Hanuman Group' and is engaged in manufacturing of all types of steel wire and galvanized wire. KWL got listed in the SME platform of the National Stock Exchange on October, 2018. The manufacturing facility of the company is situated in Sankrail Industrial Park, Howrah, West Bengal with a total installed capacity of 66,200 MTPA. KWL primarily caters to Government entities including State Electricity Boards, Power Grid Corporation of India Limited as well as large private players. The company has ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certifications.

### Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31.03.2023	31.03.2024	9M FY2024	9M FY2025
	Audited	Audited	Unaudited	Unaudited
Total Operating Income	284.90	436.84	298.27	505.84
EBITDA	11.32	18.09	11.82	15.86
PAT	5.99	10.40	5.34	6.74
Total Debt	22.01	40.09	-	-
Tangible Net Worth	73.93	84.09	-	-
EBITDA Margin (%)	3.97	4.14	3.96	3.14
PAT Margin (%)	2.09	2.37	2.47	1.81
Overall Gearing Ratio (x)	0.30	0.48	-	-
Interest Coverage (x)	3.57	4.78	1.79	1.33

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** As per PR dated February 2, 2024, Acuite Ratings continued to keep the ratings in the non-cooperating category due to non-cooperation from the client.

**Any other information:** Nil



## Press Release

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2024-25)			Date(s) & Rating(s) assigned in 2023-24 (March 27, 2024)	Rating History for the past 3 years			Date(s) & Rating(s) assigned in 2021-22 (Jan 19, 2022)
		Type	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2022-23			
						(Feb 14, 2023)	(Nov 2, 2022)	(Apr 15, 2022)	
1.	Cash Credit	Long Term	56.50	IVR BBB-/ Negative ISSUER NOT COOPERATING*	IVR BBB/ Stable	IVR BBB-/ Stable	IVR BBB-/ Stable	IVR BBB-under Credit Watch with Developing Implications	IVR BBB-under Credit Watch with Developing Implications
2.	Overdraft	-	-	-	-	IVR BBB-/ Stable	-	-	-
3.	Bank Guarantee	Short Term	9.08	IVR A3 ISSUER NOT COOPERATING*	IVR A3+	IVR A3	IVR A3	IVR A3 under Credit Watch with Developing Implications	IVR A3 under Credit Watch with Developing Implications
4.	Letter of Credit	Short Term	34.00	IVR A3 ISSUER NOT COOPERATING*	IVR A3+	IVR A3	IVR A3	IVR A3 under Credit Watch with Developing Implications	IVR A3 under Credit Watch with Developing Implications
5.	Proposed Letter of Credit	-	-	-	-	IVR A3	-	-	-
6.	Forward Contract Facility	-	-	-	-	-	-	-	-
7.	Bill Discounting	-	-	-	-	-	-	-	-



## Press Release

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		Type	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2022-23	(Feb 14, 2023)	(Nov 2, 2022)	
8.	Channel Finance	Short Term	5.00	IVR A3 ISSUER NOT COOPERATING*	IVR A3+	-	-	-	-

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

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### About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) (formerly Infomerics Valuation & Rating Pvt Ltd) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit [www.infomerics.com](http://www.infomerics.com).

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not



## Press Release

recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

### Annexure 1: Facility Details

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit 1	-	-	-	21.50 <sup>#</sup>	IVR BBB-/ Negative ISSUER NOT COOPERATING*
Cash Credit 2	-	-	-	30.00 <sup>##</sup>	IVR BBB-/ Negative ISSUER NOT COOPERATING*
Cash Credit 3	-	-	-	5.00	IVR BBB-/ Negative ISSUER NOT COOPERATING*
Bank Guarantee 1	-	-	-	1.58	IVR A3 ISSUER NOT COOPERATING*
Bank Guarantee 2	-	-	-	5.00	IVR A3 ISSUER NOT COOPERATING*
Bank Guarantee 3	-	-	-	2.50	IVR A3 ISSUER NOT COOPERATING*
Letter of Credit 1	-	-	-	8.50	IVR A3 ISSUER NOT COOPERATING*
Letter of Credit 2	-	-	-	14.50 <sup>^</sup>	IVR A3 ISSUER NOT COOPERATING*
Letter of Credit 3	-	-	-	11.00 <sup>^^</sup>	IVR A3 ISSUER NOT COOPERATING*
Channel Finance	-	-	-	5.00	IVR A3 ISSUER NOT COOPERATING*

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

<sup>#</sup>interchangeable with WCDL

<sup>##</sup>WCDL of Rs. 24 crore and Export credit facilities of Rs. 6.50 crore are sublimit

<sup>^</sup>SBL of Rs. 14.50 crore and BG of Rs. 8.50 crore are sublimit

<sup>^^</sup>BG of Rs. 10.00 crore is interchangeable

### Annexure 2: Facility wise lender details: Not Applicable



## Press Release

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

**Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable**

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

