

Press Release

Hero Fashion

April 25, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 17.00 Cr.#
Long Term Rating	ACUITE BB+ Issuer not co-operating*
Short Term Rating	ACUITE A4+ Issuer non-cooperating*

#Refer Annexure for details

*The issuer did not co-operate; based on best available information.

Acuité has reviewed the long-term rating of '**ACUITE BB+**' (read as **ACUITE BB plus**) and short term of '**ACUITE A4+**' (read as **ACUITE A4 plus**) on the Rs. 17.00 crore bank facilities of Hero Fashion (HF). This rating is now an indicative rating and is based on best available information.

The Tirupur-based, Hero Fashion is a proprietorship firm established in 1989 by Mr. S. Sundaramurthy manufactures and exports readymade garments (for men, women and kids). The manufacturing facility is located at Tirupur, Tamil Nadu and the installed capacity stands at 24 lakh pieces per annum.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/criteria-default.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-4.htm>

Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest Financial Statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
05-Feb-2019	Packing Credit	Long Term	12.00	ACUITE BB+ Issuer not co-operating*
	Bills Discounting	Short Term	2.00	ACUITE A4+ Issuer non-cooperating*
	Letter of Credit	Short Term	1.00	ACUITE A4+ Issuer non-cooperating*
	Proposed Long Term Loan	Short Term	2.00	ACUITE A4+ Issuer non-cooperating*
18-Dec-2017	Packing Credit	Long Term	12.00	ACUITE BB+ / Stable (Upgraded)
	Bills Discounting	Short Term	2.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A4+ (Reaffirmed)
	Proposed Long Term Loan	Long Term	2.00	ACUITE BB+ / Stable (Assigned)
29-Aug-2016	Packing Credit	Long Term	15.00	ACUITE BB/Stable (Assigned)
	Bills Discounting	Short Term	1.50	ACUITE A4+ (Assigned)
	Letter of Credit	Short Term	0.50	ACUITE A4+ (Assigned)

*The issuer did not co-operate; based on best available information.

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
Packing Credit	Not Applicable	Not Applicable	Not Applicable	12.00	ACUITE BB+ Issuer not co-operating*
Bills Discounting	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer non-cooperating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE A4+ Issuer non-cooperating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	2.00	ACUITE A4+ Issuer non-cooperating*

*The issuer did not co-operate; based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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