



Press Release
SHERA ENERGY LIMITED (ERSTWHILE SHERA ENERGY PRIVATE LIMITED)
November 18, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	40.00	ACUITE BBB+ Positive Assigned	-
Bank Loan Ratings	78.01	ACUITE BBB+ Positive Reaffirmed	-
Bank Loan Ratings	33.00	-	ACUITE A2 Assigned
Bank Loan Ratings	111.60	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	262.61	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE BBB+**' (read as **ACUITE Triple B plus**) and the short-term rating of '**ACUITE A2**' (read as **ACUITE A Two**) for bank facilities of Rs. 189.61 Cr. of Shera Energy Limited (Erstwhile Shera Energy Private Limited). The outlook has been revised from '**Stable**' to '**Positive**'.

Acuite has assigned long term rating '**ACUITE BBB+**' (read as **ACUITE Triple B plus**) and short term rating of '**ACUITE A2**' (read as **ACUITE A two**) for bank facilities of Rs. 73 crore of Shera Energy Limited (Erstwhile Shera Energy Private Limited) . The outlook is '**Positive**'.

Rationale for Rating

The revision in the outlook considers with continued improvement in the scale of operations albeit slight moderation in operating margin in FY 25 and improving liquidity position of the group. The revenue from the operations of the group has improved by 45.96%, thereby increasing the topline from Rs. 875.10 Cr. in FY 2024 to Rs. 1,277.30 Cr. in FY 2025. The net margin rose from 1.61% in FY 24 to 1.75% in FY 25. The financial risk profile of the group remains healthy in FY 25 marked by comfortable gearing and improvement in tangible net worth on account of IPO proceeds in Rajputana Industries Limited in August 2024. The strong liquidity profile was marked by cash & bank balance including free fixed deposits of Rs. 52.28 Cr. as on 31st March 2025 and steady & increasing accruals albeit minimum debt repayments. However, the above strengths are partly balanced by competitive industry and susceptibility of profitability margins due to volatility in raw material prices.

About the Company

Jaipur-based Shera Energy Limited (SEL) was initially established as a proprietorship firm by Mr. Naseem Sheikh, namely Shera Metals & Engineers, in the year 2003 and was reconstituted as a private limited company in the year 2009. The company is engaged in the manufacturing of winding wire products such as paper-wrapped round and rectangular wires, enamel/magnet round and rectangular wires, and fibre glass-taped round and rectangular wires.

Shera Group (SG) was formed with the establishment of a proprietorship firm, Shera Metals & Engineers, in 2003 by Mr. Naseem Sheikh. SEL had three subsidiaries: Shera Metal Private Limited (SMPL), Rajputana Industries Limited (RIL), and Shera Infrapower Private Limited (SIPL). SMPL is engaged in the manufacturing of copper bus bar, tin-plated copper bus bar, PCC poles, brass rod and wire, and paper-covered copper strips, while RIPL was incorporated with a view to securing a backward integration of its product lines manufactured by SEL and SMPL through the manufacturing of mother tubes of brass (copper and zinc mix) tube, copper nickel (copper nickel mix) tube, and brass rod and section (copper and zinc). Group has now sold Shera Infrapower Private Limited and floated one subsidiary in Zambia names as Shera Zambia Limited. SEL now has three subsidiaries: Shera Metal Private Limited (SMPL), Rajputana Industries Limited (RIL) and Shera Zambia Limited.

Unsupported Rating

Not Applicable.

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has considered the consolidated business and financial risk profiles of Shera Energy Limited (SEL), Shera Metal Private Limited (SMPL), Rajputana Industries Limited (RIL), and Shera Zambia Limited to arrive at this rating. The consolidation is on account of common management, presence in the same line of business, and significant business and financial synergies between the entities. The group is herein together referred to as "Shera Group (SG)".

Key Rating Drivers

Strengths

Experienced management and an established track record of operations

The group is a producer of copper and aluminium winding wires along with other products like bus bars of copper, aluminium, and brass, copper, copper alloys, and cupronickel casted, extruded, and drawn products, viz. billets and ingots, mother shells, tubes and pipes, rods, profiles, and sections. The promoters and directors of the group have over a decade of experience in the aforementioned industry. SG caters to the demands of various industries, such as LPG valve manufacturing, automobiles, forging, marine, power generation, and the electrical industry, to name a few, through its diversified product portfolio. Over the years, the group has developed healthy relationship with its customers and suppliers. It is also undertaking backward integration for refining copper in its foreign subsidiary which is expected to improve its operational synergies over the medium term. Acuite believes that given the experienced management and established track record of operations, the group is expected to continue to draw the benefits over the medium term.

Improvement in scale of operations & Profitability

The revenue from the operations of the group has improved by 45.96%, thereby increasing the topline from Rs. 875.10 Cr. in FY 2024 to Rs. 1,277.30 Cr. in FY 2025. The improvement in revenue is mainly due to increasing volume units sold as well as increasing average price realization in FY 25 against FY 24. Further, the group booked the net revenue of Rs. 780.65 crore in H1 FY 26, marking a 29.81% increase compared to Rs. 601.37 crore in H1 FY25. The operating profit (EBITDA) of the group improved from Rs. 51.35 Cr. in FY 24 to Rs. 58.73 Cr. in FY 25. The operating margin declined due to change in management's strategy to promote effective & early customer collections by offering discounts. However, the net profit margin rose from 1.61% in FY 24 to 1.75% in FY 25 mainly due to lower dependence on working capital facilities and thus reduce the finance costs. Further, the group reported significant improvement in EBITDA & PAT levels rising from Rs. 28.60 Cr. & Rs. 9.67 Cr. in H1 FY 25 to Rs. 39.41 Cr. & Rs. 15.21 Cr. in H1 FY 26 respectively.

Acuite believes going forward, the scale of operations & profitability of the group will improve on account of expected higher topline and improving profitability.

Healthy Financial Risk Profile

The group has healthy financial risk profile marked by net worth, comfortable gearing and coverage indicators. The total tangible net worth of the group improved & stood at Rs. 199.05 Cr. as on 31st March 2025 against Rs. 139.54 Cr. as on 31st March 2024. The improvement in net worth is mainly due to accretion of profits into reserves and fresh IPO proceeds received under Rajputana Industries Limited in August 2024. The group follows conservative leverage policy. The gearing ratio stood comfortable at 0.93 times in FY 25. The Total outside liabilities to total net worth (TOL/TNW) improved & stood at 2.08 times as on FY 2025 against 2.17 times as on FY 2024. Further, Debt Protection Matrices i.e. DSCR & ISCR improved & stood at 1.45 & 2.49 times for FY 25 against 1.20 & 1.80 times for FY 24 respectively. ROCE stood at 16.77% for FY 25. Currently the group is setting up new unit in Shera Metal Private Limited for manufacturing CTC (Continuously Transposed Conductors), Super Fine Copper Wires, and Copper Ribbons for electrical equipment manufacturing industries. It is expected to commence its commercial operations by February 2026. It is funded through mix of external debt & promoter's infusion.

Acuite believes that financial risk profile of the group is expected to remain healthy in near to medium term on the account of steady accruals despite debt funded ongoing capex.

Weaknesses

Competitive industry

The group is currently operating in the winding wire/conductor industry is highly competitive and fragmented, featuring many organized and unorganized manufacturers. This is primarily because the production of winding wires, rods, and ingots requires low technical expertise and offers minimal value addition. Consequently, intense competition limits the group's bargaining power.

Susceptibility to margins due to volatility in raw material prices

The group face significant susceptibility to margin erosion due to the high volatility in the prices of metals. Since raw materials constitute a major portion of their production costs, sharp, unexpected price increases can swiftly squeeze profit margins if finished goods prices cannot be adjusted quickly or effectively. This sensitivity necessitates robust risk management strategies, such as hedging and maintaining optimal inventory levels, to mitigate the financial impact of rapid market fluctuations and protect profitability.

Rating Sensitivities

- Movement in scale of operations and profitability margins.
- Elongation of working capital cycle.
- Timely completion of ongoing capital expenditure.

Liquidity Position

Strong

The liquidity profile of the group is strong marked by generating net cash accruals of Rs. 28.40 Cr. in FY 25 against the maturing debt obligations of Rs. 12.12 Cr. for the same year. The group has free cash & bank balance (including free fixed deposits) of Rs. 52.28 Cr. as on 31st March 2025. The current ratio stood at 1.31 times for FY 25. The average fund-based and non-fund based utilization of the group for last six months ending June 2025 is 79.37% & 70.97% respectively. Acuite believes, the liquidity of the group is expected to improve in near to medium term with steady cash accruals indicating availability of funds for any future endeavours.

Outlook - Positive

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1277.30	875.10
PAT	Rs. Cr.	22.40	14.05
PAT Margin	(%)	1.75	1.61
Total Debt/Tangible Net Worth	Times	0.93	0.76
PBDIT/Interest	Times	2.49	1.80

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

Not Applicable.

Any Other Information

None.

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Aug 2024	Letter of Credit	Short Term	64.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A2 (Upgraded from ACUITE A3+)
	Letter of Credit	Short Term	0.75	ACUITE A2 (Upgraded from ACUITE A3+)
	Letter of Credit	Short Term	27.25	ACUITE A2 (Upgraded from ACUITE A3+)
	Derivative Exposure	Short Term	0.60	ACUITE A2 (Upgraded from ACUITE A3+)
	Cash Credit	Long Term	51.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Term Loan	Long Term	0.38	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Cash Credit	Long Term	24.00	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Term Loan	Long Term	2.99	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Term Loan	Long Term	0.24	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Term Loan	Long Term	2.96	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
	Proposed Long Term Bank Facility	Long Term	0.44	ACUITE BBB+ Stable (Upgraded from ACUITE BBB Positive)
12 Jul 2024	Letter of Credit	Short Term	64.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	0.75	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	27.25	ACUITE A3+ (Reaffirmed)
	Derivative Exposure	Short Term	0.60	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE BBB Positive (Reaffirmed)
	Cash Credit	Long Term	21.00	ACUITE BBB Positive (Assigned)
	Term Loan	Long Term	0.38	ACUITE BBB Positive (Reaffirmed)
	Cash Credit	Long Term	24.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	2.99	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	0.24	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	2.96	ACUITE BBB Positive (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	0.44	ACUITE BBB Positive (Reaffirmed)
	Letter of Credit	Short Term	64.00	ACUITE A3+ (Reaffirmed)
		Short		

15 May 2024	Bank Guarantee (BLR)	Term	15.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	0.75	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	27.25	ACUITE A3+ (Reaffirmed)
	Derivative Exposure	Short Term	0.60	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	0.53	ACUITE BBB Positive (Reaffirmed)
	Cash Credit	Long Term	24.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	3.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	0.28	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	3.20	ACUITE BBB Positive (Reaffirmed)
11 Mar 2024	Letter of Credit	Short Term	64.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	0.75	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	27.25	ACUITE A3+ (Reaffirmed)
	Derivative Exposure	Short Term	0.60	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	30.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	0.53	ACUITE BBB Positive (Reaffirmed)
	Cash Credit	Long Term	24.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	3.00	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	0.28	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	3.20	ACUITE BBB Positive (Reaffirmed)
	Term Loan	Long Term	1.04	ACUITE BBB (Reaffirmed & Withdrawn)
	Term Loan	Long Term	1.33	ACUITE BBB (Reaffirmed & Withdrawn)
06 Jun 2023	Letter of Credit	Short Term	64.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	0.75	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	27.25	ACUITE A3+ (Assigned)
	Cash Credit	Long Term	30.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	1.85	ACUITE BBB Stable (Reaffirmed)

	Cash Credit	Long Term	24.00	ACUITE BBB Stable (Reaffirmed)
	Proposed Term Loan	Long Term	0.40	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	7.53	ACUITE BBB Stable (Assigned)
	Proposed Term Loan	Long Term	0.20	ACUITE BBB Stable (Assigned)
24 Mar 2022	Channel/Dealer/Vendor Financing	Short Term	9.00	ACUITE A3+ (Reaffirmed)
	Channel/Dealer/Vendor Financing	Short Term	2.50	ACUITE A3+ (Reaffirmed)
	Channel/Dealer/Vendor Financing	Short Term	3.00	ACUITE A3+ (Reaffirmed)
	Letter of Credit	Short Term	64.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	15.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	29.00	ACUITE BBB Stable (Reaffirmed)
	Stand By Line of Credit	Long Term	1.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	3.30	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.06	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.03	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.13	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.10	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.13	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.08	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.05	ACUITE BBB Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	8.62	ACUITE BBB Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE A2 Reaffirmed
BANK OF MAHARASHTRA	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	24.00	Simple	ACUITE BBB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	51.00	Simple	ACUITE BBB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	24.00	Simple	ACUITE BBB+ Positive Assigned
Canara Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	16.00	Simple	ACUITE BBB+ Positive Assigned
State Bank of India	Not avl. / Not appl.	Derivative Exposure	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.60	Simple	ACUITE A2 Reaffirmed
BANK OF MAHARASHTRA	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	27.25	Simple	ACUITE A2 Reaffirmed
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A2 Reaffirmed
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	64.00	Simple	ACUITE A2 Reaffirmed
BANK OF MAHARASHTRA	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.75	Simple	ACUITE A2 Reaffirmed
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	28.00	Simple	ACUITE A2 Assigned
Canara Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A2 Assigned
								ACUITE

Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.49	Simple	BBB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Mar 2026	1.82	Simple	ACUITE BBB+ Positive Reaffirmed Stable to Positive
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Mar 2027	0.70	Simple	ACUITE BBB+ Positive Reaffirmed Stable to Positive

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr. No.	Company Name
1	Shera Energy Limited
2	Shera Metal Private Limited
3	Rajputana Industries Limited
4	Shera Zambia Limited

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Kartik Arora Senior Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & 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. Acuité has assigned 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 Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.