

Wincab Industries Private Limited

November 07, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.47	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Wincab Industries Private Limited (WIPL) to monitor the ratings vide e-mail communications/ letter dated September 03, 2024, October 07, 2024, and October 25, 2024, and numerous phone calls. However, despite repeated requests, the company has not provided the requisite information for monitoring the ratings. 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. Wincab Industries Private Limited (WIPL) has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. The ratings on WIPL's bank facilities will now be denoted as **CARE B+; Stable; ISSUER NOT COOPERATING***.

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

The ratings assigned to the bank facilities of WIPL continue to remain constrained on account of moderate scale of operations, moderate capital structure and debt coverage indicators during FY24 (Audited, FY refers to period April 01 to March 31). Ratings further remain constrained due to highly competitive and fragmented nature of industry with raw material price fluctuation risk, vulnerability of margins to volatility in raw material prices and stretched liquidity.

The ratings, however, derive strength from experienced promoters.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes that entity will sustain its overall financial risk profile with improvement in scale of operations and will continue to derive benefit from experience of promoters in the industry.

Detailed description of key rating drivers:

At the time of last rating on September 21, 2023, the following were the rating strengths and weaknesses (updated for the information provided by WIPL)

Key weaknesses

Project stabilization risk emanating from nascent stage of operations

WIPL commenced operations from January 2022 and hence FY24 was first full year of operations. WIPL reported Total Operating Income (TOI) of Rs.319.79 crore during FY24 with PBILDT margin and PAT margin of 2.68% and 1.62% respectively. Capital structure and debt coverage indicators remain moderate marked by an overall gearing of 1.54x as on March 31, 2024. Interest coverage ratio also remains moderate at 6.83 times during FY24.

Highly competitive and fragmented nature of industry with raw material price fluctuation risk

The spectrum of the aluminium industry in India in which the company operates is highly fragmented and competitive, marked by presence of numerous small and unorganized players. Hence, the players in the industry have a limited pricing power and are exposed to competitive pressures which affects their profitability.

Vulnerability of margins to volatility in raw material prices

The main raw material of the company is aluminium scrap. Raw material costs have been a major contributor to the total costs. The prices of raw materials, especially metal such aluminium ingots are volatile in nature. Any adverse movement in the raw material prices would adversely affect the profitability of the company.

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Key strengths

Experienced Promoters

The Promoters of WIPL, Mr. Simple Jain has a total experience of 12 years in manufacturing of all types of power cables, he looks after the production and marketing functions of the entity. Mrs. Ankita Jain has a decade of experience in the industry, and she looks after day-to-day work of the business. Overall promoters are supported by qualified and experienced employees.

Liquidity: Stretched

Liquidity profile of WIPL remains stretched marked by low cash and bank balance of Rs.0.41 crore as on March 31, 2024, and tightly matched cash accruals at Rs.6.04 crore in FY24 as against debt repayment obligation of Rs.6.73 crore during FY25.

Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Cables - Electricals

Madhya Pradesh based, Wincab Industries Private Limited (WIPL) was incorporated on December 07, 2021, by Mr. Simple Jain and Ms. Ankita Jain. WIPL is engaged in manufacturing of aluminium wire rods, Cables, and Conductors. The manufacturing unit is situated in Dhar, Madhya Pradesh with an installed capacity of 26,400 MT per annum.

Brief Financials (₹ crore)	March 31, 2023* (A)	March 31, 2024 (A)
Total operating income	12.81	319.79
PBILDT	0.23	8.58
PAT	0.07	5.17
Overall gearing (times)	4.90	1.54
Interest coverage (times)	1.64	6.83

*Operations commenced from January 2022

A: Audited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	2.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Proposed fund based limits		-	-	-	5.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	10-03-2030	4.47	CARE B+; Stable; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	4.47	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (21-Sep-23)	-	-
2	Fund-based - LT-Cash Credit	LT	2.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (21-Sep-23)	-	-
3	Fund-based - LT-Proposed fund based limits	LT	5.00	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (21-Sep-23)	-	-

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

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Proposed fund based limits	Simple
3	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

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

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

Contact us

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About us:

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