

## WEP Solutions Limited

November 05, 2025

| Facilities/Instruments     | Amount (₹ crore)               | Rating <sup>1</sup> | Rating Action |
|----------------------------|--------------------------------|---------------------|---------------|
| Long-term bank facilities  | 33.00<br>(Enhanced from 28.00) | CARE BBB-; Stable   | Reaffirmed    |
| Short-term bank facilities | 5.05                           | CARE A3             | Reaffirmed    |

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Ratings assigned to bank facilities of WEP Solutions Limited (WEP) continue to factor in the company's established position in enterprise business where it enters medium-term contracts with reputed corporates to address their printing requirements. CARE Ratings Limited (CareEdge Ratings) positively takes note of improvement in profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of the Enterprise division aided by economies of scale and other cost-control measures undertaken, which are likely to sustain.

However, the company's other division, channel division, continues to report losses due to lower capacity utilisation and investments in new product development. The company's ability to ramp up its production and increase operations in printer distribution would be key to its credit profile. Ratings also derive strength from WEP's experienced management, comfortable capital structure and steady cashflow from operations, which would ensure lower reliance on debt to fund constant capex required in the Enterprise division.

However, credit strengths are partly offset by continuing modest scale of operations and high competition from original equipment manufacturers (OEMs) and unorganised segments.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Sustainable improvement in scale of operations above ₹125 crore with PBILDT margin sustaining above 20% and total outside liabilities to total net worth (TOL/TNW) below 0.60x.

#### Negative factors

- Decline in scale of operations or return on capital employed (ROCE) to below ₹50 crore or 7%, respectively.
- Debt funded capex resulting in deterioration in overall gearing above 0.50x.

**Analytical approach:** Standalone

#### Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation that WEP's business risk profile will continue to remain stable owing to its diversified revenue segments and long and established relationship with reputed clients and OEMs in Enterprise segment, which would keep capital structure and debt coverage indicators at satisfactory level despite losses in partner segment.

### Detailed description of key rating drivers:

#### Key strengths

##### Experienced management

WEP was established in 1988 as a part of Wipro Limited's domestic IT business. In September 2000, Wipro spun off its IT Peripherals business into a separate independent company Wipro e-Peripherals Limited, which was later renamed as WeP Peripherals Limited. It is one of the largest employee-owned companies in India. After a series of acquisitions, diversifications and corporate restructuring exercises, all business lines at WeP are now operating under Wep Solutions Limited, a public limited company listed at Bombay Stock Exchange. Starting primarily with Dot Matrix Printers, WeP is now diversified into emerging and growing segments including managed printing services, retail printing solutions, SaaS-based digital services and solutions. The company is promoted by Ram N Agrawal, who is also the company's chairman. Ram N Agrawal pioneered to create India's first employee-owned company Wipro e-Peripherals in 2000. He led an employee buy-out of IT Peripherals business from Wipro. In his 23 years at Wipro, he led multiple business units and functional areas. Overall management is taken care by Ashok Tripathy who is the MD and CEO of Wep Solutions Limited. He was a part of Wipro for over 24 years, where he helped in turning around degrowing global IT services, breaking into new international markets, driving profitable growth, while enhancing brand visibility of Wipro's IT infrastructure portfolio.

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

### Comfortable capital structure and adequate debt service coverage metrics

Capital structure is comfortable with overall gearing of 0.24x as on March 31, 2025, compared to 0.22x as on March 31, 2024. Slight moderation is due to utilisation of working capital limits and increase in term loans. Increase in TL was for purchasing printers for its Enterprise division. The liquidity remains comfortable owing to relatively lesser debt and profit accretion. ICR and total debt to gross cash accrual (TD/GCA) ratios stood comfortable at 10.83x in FY25 (FY refers to April 01 to March 31; PY: 24.11x) and 1.07x (PYE: 0.99x) as on March 31, 2025, respectively. Despite constant capex requirements in Enterprise segment, CareEdge Ratings expects the company's capital structure would remain comfortable.

### Long-term relationship with reputed OEMs and clientele

The company has a brand agnostic approach towards printers and consumables under the Enterprise segment and supplies the product depending on customer requirement. The company has reputed banking, financial services and insurance (BFSI) clientele in Enterprise business. The company is also an authorised distributor for Ricoh Printers and consumables and entered partnership with Fujifilm India Private Limited. CareEdge Ratings believes that association with diversified clients and OEMs would help the company maintaining stable business profile in the long term.

### Key weaknesses

#### Modest scale of operations

The company's revenue continues to remain modest and stands at ₹64.80 crore in FY25 against ₹68.84 crore in FY24. In printing business, the company is facing issue in increasing volumes. WEP has tied up with a Singapore-based company for selling laptops to scale up revenue base.

#### WEP's asset under ownership requiring relatively high capex requirements

WEP purchases printers and deploys at customers premises. The company primarily charges customers on per-page basis which covers for depreciation, maintenance, and service among others. WEP takes care of all printing requirement except for purchase of paper. WEP's Enterprise business model requires to incur regular capital expenditure for purchasing printers, which are further deployed to its customers. This capital expenditure includes replacing existing printers and for addition of new printers for newly added customers. The business model is exposed to frequent technological advancement risks in printing devices and solutions.

#### High competition from local unorganised players

WEP is in the highly competitive and fragmented printing industry, which is majorly dominated by local and unorganised players. WEP is among the few organised players in managed printing services apart from OEMs.

### Liquidity: Adequate

WEP's liquidity position is supported by strong cash accruals, which can be utilised for funding its capital expenditure and to expand other businesses. WEP has relatively low term debt obligations, thus its cash accruals would be sufficient to repay upcoming debt obligations. Average working capital limits utilisation stood at 57.54% in 12-months ended June 2025 and its unutilised bank lines are over adequate to meet its incremental working capital needs in the next one year. The company has healthy net cash flow from operations of ₹8.11 crore in FY25 against ₹16.50 crore in FY24 while cash and cash equivalents stood at ₹21.61 crore as on June 30, 2025.

### Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Service Sector Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

### About the company and industry

#### Industry classification

| Macroeconomic indicator | Sector                 | Industry      | Basic industry      |
|-------------------------|------------------------|---------------|---------------------|
| Information technology  | Information technology | IT - services | IT enabled services |

WEP was incorporated on March 01, 1995, as Datanet Corporation Limited in Bengaluru. WEP started primarily with Dot Matrix Printers, which has been phased out and is now diversified in segments including managed printing services, retail printing solutions, SaaS-based digital services and solutions. The company is promoted by the chairman, Ram N Agrawal, who pioneered India's first employee-owned company Wipro e-Peripherals in 2000. He led an employee buy-out of the IT Peripherals business from Wipro.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | June 30, 2025 (UA) |
|----------------------------|--------------------|--------------------|--------------------|
| Total operating income     | 68.84              | 64.80              | 16.12              |
| PBILDT                     | 13.89              | 15.33              | 3.90               |
| PAT                        | 3.87               | 4.03               | 0.54               |
| Overall gearing (times)    | 0.22               | 0.24               | NA                 |
| Interest coverage (times)  | 24.11              | 10.83              | 8.47               |

A: Audited UA: Unaudited NA: Not Available; 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 | Coupon Rate (%) | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|--|------|------------------|-----------------|---------------|-----------------------------|------------------------------------|
| Fund-based - LT-Cash Credit              | -    | -                | -               | -             | 18.00                       | CARE BBB-; Stable                  |
| Fund-based - LT-Term Loan                | -    | -                | -               | May 2030      | 15.00                       | CARE BBB-; Stable                  |
| Non-fund-based - ST-BG/LC                | -    | -                | -               | -             | 4.50                        | CARE A3                            |
| Non-fund-based - ST-Loan Equivalent Risk | -    | -                | -               | -             | 0.55                        | CARE A3                            |

#### 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 2025-2026 | 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 |
| 1       | Fund-based - LT-Term Loan                | LT              | 15.00                        | CARE BBB-; Stable | -   | 1)CARE BBB-; Stable (24-Dec-24)             | 1)CARE BBB-; Stable (07-Dec-23)             | 1)CARE BBB-; Stable (20-Mar-23)             |
| 2       | Fund-based - LT-Cash Credit              | LT              | 18.00                        | CARE BBB-; Stable | -   | 1)CARE BBB-; Stable (24-Dec-24)             | 1)CARE BBB-; Stable (07-Dec-23)             | 1)CARE BBB-; Stable (20-Mar-23)             |
| 3       | Non-fund-based - ST-BG/LC                | ST              | 4.50                         | CARE A3           | -   | 1)CARE A3 (24-Dec-24)                       | 1)CARE A3 (07-Dec-23)                       | 1)CARE A3 (20-Mar-23)                       |
| 4       | Non-fund-based - ST-Loan Equivalent Risk | ST              | 0.55                         | CARE A3           | -   | 1)CARE A3 (24-Dec-24)                       | 1)CARE A3 (07-Dec-23)                       | 1)CARE A3 (20-Mar-23)                       |

LT: Long term; ST: 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-Term Loan                | Simple           |
| 3       | Non-fund-based - ST-BG/LC                | Simple           |
| 4       | Non-fund-based - ST-Loan Equivalent Risk | Simple           |

**Annexure-5: Lender details**

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

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

### Contact us

|   |   |
|---|---|
| <b>Media Contact</b><br><br>Mradul Mishra<br>Director<br><b>CARE Ratings Limited</b><br>Phone: +91-22-6754 3596<br>E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a><br><br><b>Relationship Contact</b><br><br>Saikat Roy<br>Senior Director<br><b>CARE Ratings Limited</b><br>Phone: +91-22-6754 3404<br>E-mail: <a href="mailto:saikat.roy@careedge.in">saikat.roy@careedge.in</a> | <b>Analytical Contacts</b><br><br>Karthik Raj K<br>Director<br><b>CARE Ratings Limited</b><br>Phone: +91-80-4662 5555<br>E-mail: <a href="mailto:karthik.raj@careedge.in">karthik.raj@careedge.in</a><br><br>Himanshu Jain<br>Associate Director<br><b>CARE Ratings Limited</b><br>Phone: +91-80-4662 5528<br>E-mail: <a href="mailto:himanshu.jain@careedge.in">himanshu.jain@careedge.in</a><br><br>Manvi Jain<br>Rating Analyst<br><b>CARE Ratings Limited</b><br>E-mail: <a href="mailto:Manvi.jain@careedge.in">Manvi.jain@careedge.in</a> |
|---|---|

### About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: [www.careratings.com](http://www.careratings.com)

### Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to [https://www.careratings.com/privacy\\_policy](https://www.careratings.com/privacy_policy)

© 2025, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CARE Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE Ratings.

**For detailed Rating Report and subscription information,  
please visit [www.careratings.com](http://www.careratings.com)**