

Wonder Electricals Limited

September 24, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	58.00	CARE BBB; Stable / CARE A3+	Assigned
Long-term bank facilities	RBI	14.20	CARE BBB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Wonder Electricals Limited (WEL) derive strength from established relationship with reputed clientele, moderate scale of operations, healthy debt coverage indicators, and experienced promoters with long track record of operations. However, these rating strengths are partially offset by modest profitability margins, leveraged capital structure marked by high overall gearing, working capital intensive operations, and presence in an intensely competitive industry where profit margins are susceptible to raw material price volatility.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations and profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 5% on a sustained basis.
- Improvement in financial risk profile as marked by overall gearing below 1.20x on a sustained basis.

Negative factors

- Decline in scale of operations with PBILDT margin below 4% on sustained basis.
- Deterioration in debt coverage indicator marked by total debt (TD)/PBILDT over 5.00x.

Analytical approach: Consolidated

To arrive at Ratings, CARE Ratings Limited (CARE Ratings') has taken consolidated view of WEL and its wholly own subsidiary Integrated Motion & Control LLP, considering managerial, financial and operational linkages. Entities consolidated have been listed under [Annexure-5](#).

Outlook: Stable

The stable outlook reflects CareEdge Ratings' opinion that the WEL shall continue to benefit from experienced promoters and considering long-standing relationship with reputed customer base.

Detailed description of key rating drivers

Key strengths

Moderate scale of operations

WEL has demonstrated healthy growth in its scale of operations over the years, driven by an expanding customer base and increasing market demand. However, in FY26 (refers to April 01, 2025, to March 31, 2026), the company's total operating income (TOI) at consolidated level moderated to ₹654.75 crore from ₹894.50 crore in FY25 (refers to April 01, 2024, to March 31, 2025). Decline was primarily attributable to a temporary slowdown due to early onset of monsoons, which adversely impacted demand for fans. Implementation of revised Bureau of Energy Efficiency (BEE) energy-efficiency norms for ceiling fans in January 2026, leading to an industry-wide transition, impacted overall sales. However, in the current year demand recovered strongly, supported by a prolonged summer season, and the company achieved a TOI of ₹233.65 crore at the consolidated level in Q1FY27 (refers to April 01, 2026, to June 30, 2026).

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Experienced promoters with long track record of operations

The company is led by its directors, Harsh Anand, Yogesh Sahni, and Yogesh Anand, who have extensive experience in electrical manufacturing, finance, technology, business operations, and strategic management. Harsh Kumar Anand, Chairman and Director brings over five decades of industry experience and has been instrumental in shaping the company's long-term vision and growth, while Yogesh Sahni, Managing Director oversees overall business operations and strategic initiatives and has over four decades of experience. The company's plant operations are managed by second generation of the Anand and Sahni family and are ably supported by professionals who look after the group's day-to-day operations.

Reputed customer base; despite customer concentration

WEL operates primarily as an original equipment manufacturer (OEM) and original design manufacturer (ODM) for electric fans for reputed clientele such as Usha International Limited (CARE BB+; Positive/CARE A4+), V-Guard Industries Limited, and Polar Elektrik Limited, among others. The company has long-standing associations with these clients, leading to repeat orders from this clientele. Top five customers contributed ~77% to TOI in FY26 (PY: ~56%), exposing the company to customer concentration risk to some extent, as changes in procurement policies of these customers may adversely impact the group's business.

Healthy debt coverage indicators

The company's debt coverage indicators at consolidated level stood healthy as marked by PBILDT interest coverage and total debt/PBILDT of 3.29x (PY: 5.73x) and 4.70x (PY: 3.70x) in FY26 respectively.

Key weaknesses**Modest profitability margins**

WEL's operating profitability remained modest in the last five financial years, with operating margins in the range of 4.3-5.0%, reflecting the OEM manufacturing business and the highly competitive nature of the ceiling fan industry. Going forward, WEL's operating margins are expected to remain broadly in the range of 4.0-5.0% as the management's strategic focus is on increasing revenues through enhanced capacity utilisation.

Leveraged capital structure

WEL maintains a moderate net worth base of ₹73.54 crore as on March 31, 2026, and the company's capital structure remained levered marked by overall gearing of 1.80x as on March 31, 2026 (PY: 2.11x), largely considering working capital borrowings outstanding as on balance sheet date required to support the business operations. Given limited bargaining power with reputed clientele and higher proportion of total sales Q4, WEL's operations are working capital intensive with gross current asset (GCA) days of 178 days (PY: 140 days) in FY26.

Product concentration risk and seasonality of operations

The company derives a significant portion of its revenues from the ceiling and Bureau of Energy Efficiency-compliant brushless direct current (BLDC) fans segment (82% in FY26), which exposes it to the industry's inherent seasonality. Therefore, adverse weather conditions can lead to inventory build-up and cash flow pressure. This was evident in Q1FY26, when unseasonal rains and early arrival of the monsoon resulted in weak demand.

Presence in intensely competitive industry where profit margins are susceptible to raw material price volatility

The consumer durable industry is highly competitive and fragmented, characterised by established Indian and multinational players in the branded product segments and unorganised players in the non-branded segment. Indian consumers are highly price-conscious and price-sensitive. Primary raw materials comprise steel sheets, aluminium sheets, copper wires, electrical components, among others, prices of which remained volatile in the past, moving in tandem with global demand-supply factors. This is partially mitigated by procurement based on budgeted production schedules provided by clients. Sale prices are fixed for a short duration and are revised frequently based on movements in raw material prices and prevailing market rates.

Liquidity: Adequate

The company's liquidity is adequate, marked by adequate cash accruals of ₹27.02 crore against repayment obligations of ~₹5.70 crore in FY27 (FY refers to April 01 to March 31). Average utilisation of working capital limits remained ~74% for 12 months ended June 30, 2026, providing a liquidity cushion to a certain extent. As on June 30, 2026, the company had free cash and bank balances of ₹0.50 crore. The company is not planning to incur major capex in the near-to-medium term.

Applicable criteria

[Definition of Default](#)

[Consolidation](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Household appliances

WEL (earlier known as Wonder Fibromats Limited) is into manufacturing ceiling fans, exhaust, pedestal, and BLDC fans. Incorporated in 2009 as a private limited company, it was reconstituted as a limited company in July 2018. With a revision in its name, the company also migrated to the main board of the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in 2022. It has manufacturing plants in Roorkee, Hyderabad and Haridwar. It is promoted by Harsh Anand, Yogesh Anand, Yogesh Sahni and their family.

Consolidated -Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27(UA)
Total operating income	894.50	654.75	233.56
PBILDT	38.82	28.40	9.08
PAT	19.02	9.11	3.97
Overall gearing (times)	2.11	1.80	NA
Interest coverage (times)	5.73	3.29	5.13

A: Audited UA: Unaudited; NA: Not Available Note: these are latest financial results available

Standalone -Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	Q1FY27(UA)
Total operating income	894.50	654.75	233.64
PBILDT	38.82	28.40	9.06
PAT	19.02	9.11	4.04
Overall gearing (times)	2.11	1.80	NA
Interest coverage (times)	5.73	3.29	5.17

A: Audited UA: Unaudited; NA: Not Available Note: these are latest financial results available

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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-Term Loan	RBI	Simple	-		-	28-02-2031	14.20	CARE BBB; Stable
Fund-based-LT/ST	RBI	Simple	-		-	-	58.00	CARE BBB; Stable / 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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	14.20	CARE BBB; Stable				
2	Fund-based-LT/ST	LT/ST	58.00	CARE BBB; Stable / CARE A3+				

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

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

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

Annexure-5: List of entities consolidated

Sr. No.	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Integrated Motion & Control LLP	Full	Subsidiary

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 for clarifications.

Contact us

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Analytical Contacts Puneet Kansal Director CARE Ratings Limited Phone: 120-4452018 E-mail: puneet.kansal@careedge.in Dhruv Mittal Assistant Director CARE Ratings Limited Phone: 91-120-4452050 E-mail: dhruv.mittal@careedge.in Meenal Gupta Lead Analyst CARE Ratings Limited E-mail: Meenal.gupta@careedge.in
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