



Rating Rationale

Win Power Infra Private Limited

11th August, 2017

Brickwork Ratings assigns ratings for the Bank Loan Facilities of Rs. 88.00 Crs of 'Win Power Infra Private Limited'.

Particulars

Facility Rated	Amount (Rs. Crs)	Tenure	Ratings *
Fund Based Cash Credit	9.00	Long Term	BWR BB (Pronounced as BWR Double B) (Outlook:Stable)
Non-Fund Based Bank Guarantee Inland LC	71.50 7.50	Short Term	BWR A4+ (Pronounced as BWR A4 Plus)
Total	Rs. 88.00 Crores (Rupees Eighty Eight Crores Only.)		

* Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rationale/Description of Key Rating Drivers/Rating sensitivities:

The Ratings derives Strength from the established business presence of the Company since from the 1993, Promoters extensive experience of over three decades in the electrical installation and equipment industry, Improvement in the profitability margins.

However the rating is constrained by large working capital requirement, cyclical nature of business and higher cash conversion cycle of the Company.

Rating Outlook: Stable

BWR believes the **Win Power Infra Pvt Ltd** business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenues and profit show sustained improvement. The rating outlook may be revised to 'Negative' if the revenues go down and profit margins show lower than expected figures.

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About the Company

Win Power Infra Pvt Ltd was incorporated in the year 1993, The Company mainly undertakes construction of high tension and low tension lines and substations.

It also undertakes Civil Construction & Mining Works.

WIPL is engaged in the rural electrification projects since 2005 & participated in the tenders floated by different state electricity boards & other government agencies.

Company Financial Performance

During FY16, WIPL has achieved Total Operating Income of ₹ 50.78 Crs against ₹ 135.32 Crs of FY15 because of the delays in the realisation of work orders.

It has achieved PAT of ₹ 1.73 Crs for FY16 against 4.54 Crs of FY15.

For the FY17, as per the provisional results submitted by the Company, WIPL has achieved Total Operating Income of ₹ 75.29 Crs and PAT of ₹ 8.67 Crs.

Total Tangible Networth of the Company as of 31st March, 2016 amounts to ₹ 23.77 Crs and Total Borrowings of the Company for the FY16 ₹ 28.18 Crs consitutes, Long-term borrowings of ₹ 14.43 Crs of unsecured loans and ₹ 6.00 Crs of optionally fully convertible debentures (which are compuslorily redeemable on expiry of 8 years period from the date of allotment unless the debenture holder exercises the option of conversion) & Short term borrowings of the Company consitutes ₹ 7.65 Crs of working capital facility.

Strengths :

1) **Extensive Experience of the Promoters :** The Promoters of the Company Mr. Suresh Kumar Agarwalla and Mr. Ashok Kumar Agarwalla has business experience of over three decades in the business.

2) **Comforatable Financial Risk Profile :** Financial Profile of the Company remains at comfortable level which is marked by moderate networth, As of 31st March 2017 ₹ 32.00 Crs against ₹ 23.77 Crs as on 31st March 2016.

Weakness :

1) **Working Capital Intensive nature of business operation :** WIPL business operations are highly working capital intensive which is as measured under GCA (Gross Current Asset Days) remains around 230 days for last three years.

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2) Cyclical Nature of the Business & Tender based business : The Business Operations of the WIPL is highly cyclical and tender based business results in delays in realisation of revenues.

For the FY16, There is a drastical decline for about 60.00% for FY16 with Total Operating Income ₹ 135.32 Crs of FY15 to ₹ 50.78 Crs for FY16.

Key Financial Particulars :

Particulars /	FY 2015	FY 2016
Revenue	135.32 Crs	50.78
EBIDTA	10.91 Crs	5.52 Crs
PAT	4.54 Crs	1.73
Tangible Net Worth	22.05 Crs	23.77 Crs
Total Debt :TNW	1.44 times	1.19 times
Current Ratio	1.60 times	1.57 times

Rating History for the last three years: (including withdrawn/suspended ratings)

Sl. No.	Instrument/Facility	Current Rating (Year 2017)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	Date in 2016	Date in 2015	Date in 2014
1	Fund Based Cash Credit	Long term	9.00	BWR BB (Pronounced as BWR Double B) (Outlook:Stable)	-	-	-
2	Non Fund Based Bank Guarantee Inland LC	Short Term	71.50 7.50	BWR A4+ (Pronounced as BWR A4 Plus)	-	-	-



Status of Non-cooperation with Previous CRA (If Applicable) : CRISIL has previously rated the bank loan facilities amounting ₹ 56.00 Crs of the WIPL dated May 10, 2017 Rating Assigned CRISIL BB-/Stable and BWR A4+.

Hyperlink/Reference	to	Applicable	Criteria
<ul style="list-style-type: none"> • General Criteria • Approach to Financial Ratios • Services Sector 		<ul style="list-style-type: none"> • Short Term Debt 	

For any other criteria obtain hyperlinks from website

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For print and digital media

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Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.



DISCLAIMER

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