Rating Rationale

15 July 2026

Wildcraft India Ltd.

Brickwork Ratings downgrades long-term and short-term ratings to “BWR BBB-/Stable/BWR A3” for the bank loan facilities of Rs. 250.36 Cr. for the bank loan facilities of Wildcraft India Ltd.

Particulars:

Facilities**	Amount (Rs. Crs)		Tenure	Rating#	
	Previous	**Present**		**Previous 16Apr2025**	**Present**
Fund Based					
Cash Credit - Sanctioned	225.00	**190.00**	Long Term	BWR BBB + /Stable Downgrade	**BWR BBB -/Stable Downgrade**
Sub-Limit (Cash Credit) -Sanctioned	(02.50)	**(2.50)**			
Term Loan - Outstanding	53.33	**40.36**			
Sub-Limit (WCDL/FCDL) -Sanctioned	(95.00)	**(81.00)**			
Sub-Limit (WCDL) -Sanctioned	(30.00)	**(9.00)**	Short Term	BWR A2 Downgrade	**BWR A3 Downgrade**
Sub-Limit (WCDL) Sanctioned	(100.00)	**(100.00)**			
Total FB	*278.33*	***230.36***			

Non Fund Based					
Sub-Limit (Bank Guarantee) -Sanctioned	(12.75)	**(12.75)**	Long term	BWR BBB + /Stable Downgrade	**BWR BBB -/Stable Downgrade**
Sub-Limit (Capex LC) -Sanctioned	(05.00)	**(5.00)**			

Letter of Credit -Sanctioned	20.00	**20.00**	Short term	BWR A2 Downgrade	**BWR A3 Downgrade**
Sub-Limit (Letter of Credit) -Sanctioned	(35.00)	**(35.00)**			
Sub-Limit (Letter of Credit/inland/import) -Sanctioned	(47.50)	**(40.00)**			
Sub-Limit (Bank Guarantee) -Sanctioned	(02.00)	**(2.00)**			
Total NFB	*20.00*	***20.00***			
Grand Total	**298.33**	**250.36**	**(Rupees Two Hundred Fifty Crores and Thirty Six Lakhs Only)**		

#Please refer to BWR website **www.brickworkratings.com/** for definition of the ratings
** Details of Bank Loan facilities is provided in Annexure-I

RATING ACTION / OUTLOOK
Brickwork Ratings has downgraded the long-term and short-term ratings to "BWR BBB-/Stable" and "BWR A3" for the bank loan facilities of Wildcraft India Ltd.

The rating has factored, inter alia, the experienced management and established track record, branding and visibility, established relations with reputed and diversified clientele and diversified product portfolio. However, the rating is constrained by the intense competition, working capital intensive operations and susceptibility to volatility in raw material prices. However, going forward, the ability of the company to improve its financial risk profile would be the key rating sensitivities.

The rating outlook has been assigned as "Stable" as BWR believes that the Wildcraft India 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 of improvement in net margin and sustenance of coverage indicators and the rating outlook may be revised to 'Negative' if any deterioration in margins and overall gearing.

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED
The terms of the sanction include standard covenants normally stipulated for such facilities. It also includes a financial covenants which are as follows : 1)TOL/TNW - Maximum of 3.00x. 2) Current Ratio - Minimum 1.25x 3)Interest coverage > 3 times 4)Total Debt / ATWN < 1.5 times.

KEY RATING DRIVERS

Credit Strengths-:

- **Experienced management and established track record :** The promoters have extensive experience in manufacturing outdoor products and a long operational track record of nearly two decades this is expected to continue to drive the company's business growth over the medium term. In addition, the management is supported by strategic investors and recently inducted independent directors with varied experiences, thereby adding strength to the board of directors.
- **Branding and visibility :** The WILDCRAFT brand has established a strong market presence and recognition across India with several corporate tie-ups and good market penetration. The company has wide distribution channels such as its own outlets/franchises, corporate/institutions, modern trade and online shopping portals (Such as Flipkart, Amazon, Myntra etc.)
- **Established relations with reputed and diversified clientele :** The company maintains an extensive distribution network partnering with major multi-brand outlets as well as online platforms like Flipkart, Myntra and its own website. The company's corporate and institutional channels include government and defense orders. The customer base is well-diversified, with the top five clients contributing approximately 25.12% of total sales in FY26.
- **Diversified product portfolio :** The company commands a well-diversified product portfolio spanning clothing, footwear, accessories and a comprehensive gear range (including rucksacks, travel gear, camping equipment, tents, and sleeping bags), which provides strong operational resilience. Core categories form the backbone of the business, with the Gear and Luggage segments collectively contributing 75.72% of the Total Operating Income (TOI) in FY26. While overall TOI contracted from 455.80 to 414.00, the company successfully optimized its revenue mix by concentrating on these high-margin core segments. Consequently, the dominant Gear segment increased its revenue share from 51.81% to 54.13% in FY26, while the Luggage segment maintained a stable and resilient footprint, marginally increasing its share to 21.59% of TOI.

Credit Risks-:

- **Intense competition, given fragmented market :** Wildcraft India Limited operates in a highly fragmented outdoor apparel and gear market, where numerous domestic and international brands compete aggressively, resulting in limited pricing power and margin pressure. The company faces intense rivalry from global players such as Decathlon and Columbia, alongside Indian brands like Woodland and HRX, making it difficult to establish clear market leadership. With Indian consumers being highly price-sensitive, Wildcraft struggles to command premium pricing, while seasonal demand volatility further impacts inventory management and cash flows. Additionally, the entry of global brands with stronger supply chains and R&D capabilities poses a long-term threat to competitiveness.
- **Foreign Exposure and Raw Material Price Fluctuation Risk :** The company relies heavily on inputs such as polyester, nylon, cotton and plastic accessories, all of which are subject to global commodity price fluctuations. Since raw materials account for a large share of production costs, even moderate increases in crude oil or cotton prices can sharply erode margins. In addition, Wildcraft imports specialized fabrics and performance accessories, exposing it to currency risk from INR fluctuations against the USD and EUR. With limited ability to hedge effectively and constrained pricing power in a highly price-sensitive domestic market, the company faces challenges in passing on cost increases to consumers. This vulnerability to raw material and forex volatility results in margin instability, liquidity stress, and competitive disadvantage.

Working capital intensive operations : Wildcraft India Ltd.'s operations are highly working capital intensive, driven by a prolonged and worsening cash conversion cycle that reached 189 days in

FY26. The largest contributor to this strain is the exceptionally high inventory holding period, which increased from 183 days in FY24 to 201 days in FY26, effectively locking up nearly six months of cash in warehouses and retail channels. This challenge is compounded by weakening collection efficiency, with receivable days rising from 48 to over 72, delaying cash inflows. At the same time, the company's bargaining power with suppliers has eroded, as payable days fell from 119 to 83 in FY26 and are projected to decline further to 76 by FY28. The combined effect of longer inventory cycles, slower collections, and faster supplier payments has severely restricted operational cash flows.

ANALYTICAL APPROACH - Standalone

For arriving at these ratings, BWR has considered the standalone performance of Wildcraft India Ltd. BWR has applied its rating methodology.

RATING SENSITIVITIES

Positive:

- Improvement in revenue >= Rs.460.00 crs while achieving net margin over 0.6%as per company projections.
- Sustenance of debt coverage indicators i.e. ISCR and DSCR above 1.00x and Total Debt/TNW below 2x.
- Improvement in financial risk profile of the company

Negative :

- Debt funded capex leading to deterioration in overall gearing above 3x on a sustained basis.
- Decline in TOI below Rs.400.00 cr and further deterioration in operating and net margins.
- Further dip in ISCR and DSCR below the current level.

LIQUIDITY INDICATORS - Stretched

Tightly matched accruals to repayment obligations, with highly utilized bank limits and modest cash reserves. The company has cash and bank balance of 5.51 Cr in FY25. Net cash accruals turned negative in both years, reflecting insufficient internal cash to meet debt obligations. Coverage ratios such as DSCR and ISCR stood at 0.75x and 0.46x in Prov FY26 compared to 0.50x and 0.62x in FY25 indicating operating profits were inadequate to service interest and debt repayments. At the same time, the cash conversion cycle lengthens significantly from 121 days in FY24 to 189 days in FY26, tying up liquidity in receivables and inventory. Although working capital shows partial recovery in FY26, the overall debt burden remains high. Further, the company's average utilization of cash credit is 30% during the last 6months. Taking all the above points into consideration the company's liquidity position is defined as stretched.

ABOUT THE ENTITY:

Wildcraft India Limited, erstwhile Wildcraft India Pvt Ltd, (Wildcraft) was incorporated in 1998 in Bengaluru. The company was rechristened as a public limited company w.e.f 15 July 2022. Specializing in the manufacturing and trading of outdoor products with a diversified product profile ranging from gear, luggage and apparel to footwear. The company markets its products under the Wildcraft brand while it has several sub-brands catering to varied customer and product segments. Wildcraft is actively involved in the design, development, manufacturing, and distribution of outdoor gears, covering items such as rucksacks, backpacks, travel gear, camping gear, tents, sleeping bags, and related accessories, along with a variety of clothing, including jackets, cheaters, huskies, T-shirts, shirts, and footwear.

Macro Economic Indicator	Sector	Industry	Basic Industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Diversified FMCG	Diversified FMCG

ESG Profile: The company demonstrates an "Adequate" ESG profile based on its environmental, social and governance practices.

Environmental
Wildcraft India Limited, being an unlisted manufacturing entity in the outdoor apparel and accessories segment, does not publish a formal sustainability or BRSR report. No quantitative data on energy consumption, water usage, or waste management is separately disclosed by the company. No instances of environmental non-compliance or regulatory penalties have been noted in available filings.

Social
The company employed approximately 2,800 people.As an unlisted entity, Wildcraft does not publish structured disclosures on gender diversity ratios, training hours, or recordable safety incidents. The company is subject to standard statutory compliance under applicable labor laws (Factories Act, ESI, PF, etc.), and no material labor disputes or workforce-related litigation has been flagged in public records. Employee welfare and development are assumed to follow standard industry practice for a manufacturing entity of this scale, though specific metrics are not independently verifiable.

Governance
Governance assessment for Wildcraft centers on board composition, ownership concentration, and financial discipline rather than formal ESG scoring:The board comprises 7 directors, including whole-time directors (Siddharth Sood, Gaurav Dublish) 2 Investor Directors and 3 additional/independent directors with 43% independent directors and a maximum tenure of 3 years. No confirmed instances of fraud, related-party transaction irregularities, or code-of-conduct violations have been reported in available records. Data security and cybersecurity governance is not separately disclosed; as an unlisted manufacturing company without significant digital/fintech exposure

KEY FINANCIAL INDICATORS

Key Parameters	Units	FY 23 - 24 (Audited - Annual)	FY 24 - 25 (Audited - Annual)	FY 25 - 26 (Provisional - Annual)
Operating Revenue	Rs.Crs.	540.17	455.8	414.01
EBITDA	Rs.Crs.	28.55	19.2	13.83
PAT	Rs.Crs.	-42.22	-63.69	-25.76
Tangible Net Worth	Rs.Crs.	22.01	-30.59	-55.45
Total Debt / Tangible Net Worth	Times	11.37	-9.04	-4.07
Current Ratio	Times	0.99	0.78	1.09

Note : 1)While the entity provided revised Provisional FY26 financials compiled under Ind AS (previously IGAAP), BWR could not take them into cognizance as they are currently unaudited. 2)The adjusted TNW and Total Debt/TNW of the company stood at Rs. 110.04cr and 2.05x in Prov 26.

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:
No outstanding ratings with other CRA.

ANY OTHER INFORMATION:
NONE

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

Facilities		Current Rating (2026)		2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	230.36	BWR BBB-/Stable (Downgrade)	16Apr2025	BWR BBB+/Stable (Downgrade)	16Jan2024	BWR A+Stable (Reaffirmation)	NA	NA
FB SubLimit	LT	(2.50)	BWR BBB-/Stable (Downgrade)	16Apr2025	BWR BBB+/Stable (Downgrade)	16Jan2024	BWR A+Stable (Reaffirmation)	NA	NA
		(81.00)	BWR BBB-/Stable (Downgrade)	16Apr2025	BWR BBB+/Stable (Downgrade)	NA	NA	NA	NA
FB SubLimit	ST	(9.00)	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	16Jan2024	BWR A1 (Reaffirmation)	NA	NA
FB SubLimit	ST	(100.00)	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	NA	NA	NA	NA
NFB SubLimit	LT	(12.75)	BWR BBB-/Stable (Downgrade)	16Apr2025	BWR BBB+/Stable (Downgrade)	16Jan2024	BWR A+Stable (Reaffirmation)	NA	NA
NFB SubLimit	LT	(5.00)	BWR BBB-/Stable (Downgrade)	16Apr2025	BWR BBB+/Stable (Downgrade)	NA	NA	NA	NA
Non Fund Based	ST	20.00	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	16Jan2024	BWR A1 (Reaffirmation)	NA	NA
NFB SubLimit	ST	(35.00)	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	16Jan2024	BWR A1 (Reaffirmation)	NA	NA
NFB SubLimit	ST	(40.00)	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	NA	NA	NA	NA
NFB SubLimit	ST	(2.00)	BWR A3 (Downgrade)	16Apr2025	BWR A2 (Downgrade)	NA	NA	NA	NA
Grand Total		**250.36**	**(Rupees Two Hundred Fifty Crores and Thirty Six lakhs Only)**						

Hyperlink/Reference to applicable Criteria

- General Criteria
- Approach to financial ratios
- Short Term Debt
- Manufacturing Company

Analytical Contacts	
Harish R **Rating Analyst** **harish.r@brickworkratings.com**	**Nagaraj K** **Director - Ratings** **nagaraj.ks@brickworkratings.com**
CustSupport@brickwrokratings.com	**media@brickworkratings.com**

Wildcraft India Ltd.

ANNEXURE I

Details of Bank Loan Facilities rated by BWR

Name of the Bank	Facilities	Tenure	Amount (Rs. In Crs)	Complexity of the instrument
Axis Bank Ltd.	Cash Credit - Sanctioned	Long Term	81.00	Simple
	Sub-Limit (WCDL/FCDL) - Sanctioned		(81.00)	
	Sub-Limit Capex LC - Sanctioned		(5.00)	
	Sub-Limit LC (Inland/Import) - Sanctioned	Short Term	(40.00)	
	Sub-Limit BG - Sanctioned		(2.00)	
Citi Bank	Cash Credit - Sanctioned	Long Term	9.00	
	Sub-limit (WCDL) - Sanctioned	Short Term	(9.00)	
HDFC Bank	Cash Credit - Sanctioned	Long Term	100.00	
	Sublimit Cash Credit - Sanctioned		(2.50)	
	Sublimit BG- Sanctioned		(12.75)	
	Term Loan-Out-standing		40.36	
	Sublimit WCDL- Sanctioned	Short Term	(100.00)	
	Sublimit LC- Sanctioned		(35.00)	
	LC - Sanctioned		20.00	
Total			**250.36**	
(Rupees Two Hundred Fifty Crores and Thirty Six lakhs Only)				

***For more information visit:** **www.brickworkratings.com/download/ComplexityLevels.pdf**

ANNEXURE II

INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

NIL

ANNEXURE III

List of entities consolidated

NIL

List of Instruments and Regulators	
Instrument / Activity	**Regulator**
Listed/Proposed to be listed bonds/debentures/preference share (all securities)	SEBI
Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) 1	SEBI
Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) 1	SEBI
Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) 1	RBI
Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/FIs 2	RBI
External Commercial Borrowings and other similar borrowings	RBI
Certificates of Deposit	RBI
Fixed Deposits raised by NBFC's, Banks, HFCs, Fis	RBI
Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, Fis	MCA
Inter Corporate Deposits/Loans extended by Corporates	MCA
Borrowing programme 3	-
Issuer Ratings 4	-
Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
Listed Security Receipts	SEBI
Unlisted Security Receipts	RBI
Independent Credit Evaluation (ICE)	RBI
Expected Loss Ratings (for Loan Facilities (Fund/Non-Fund Based) from Bank/NBFCs/NHB/Fis)	RBI
Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) 1	Investor-side Regulator such as IRDAI, PFRDA 5
Monitoring Agency	SEBI
Research activities, incidental to rating, such as research for Economy, Industries and Companies 6	NA

1. Includes securitisation transactions involving assignee payout, acquirer's payout.
2. Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
3. The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), BWR shall separately capture the rated quantum details along with names of respective regulators.
4. There is no instrument being rated and hence, Regulator of the Instrument is not applicable.
5. These ratings were assigned during regulatory regime prior to the introduction of SEBI CRA Circular dated Feb 10, 2026, and accordingly, investor side regulators have been included.
6. Permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner and promoter.

Brickwork offers credit ratings of Bank Loan, Non- convertible/convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

Disclaimer

Nature of Ratings & Information: BWR ratings are opinions on the relative ability of an entity/instrument to meet its financial obligations and are based on information obtained from issuers and other sources believed to be reliable. BWR does not conduct audits, due diligence, or independent verification of such information and does not guarantee its accuracy, adequacy, or completeness. Ratings are current only as of the date of publication and may be revised based on new or unavailable information.

No Advice or Recommendation: Ratings, reports, and related communications are not investment advice and do not constitute recommendations to buy, sell, or hold securities, or to sanction, renew, or disburse credit facilities. They do not represent offers or solicitations for any transaction. Users must rely on their own independent judgment and professional advice. Access to or use of these materials does not create any client relationship with BWR.

Liability, Usage & Regulatory Framework: This content is published for the purpose of dissemination of information as required under applicable laws and regulations. BWR holds exclusive copyright over the content. It may be used with appropriate credit to BWR, provided that the content is not altered or modified in any way that could change its meaning or intent. BWR retains the exclusive right to distribute or share its rating rationales, directly or indirectly, through any print, digital, or electronic media. All reports are provided on an "as is" basis without warranties of any kind, express or implied, including but not limited to merchantability, fitness for a particular purpose, or non-infringement. BWR and its affiliates shall not be liable for any direct, indirect, incidental, or consequential losses or damages arising from the use of these reports. Ratings are subject to continuous surveillance and may be revised, suspended, or withdrawn at any time without notice. These reports are intended for use within India only. BWR operates under SEBI Regulations and Code of Conduct.

For more information on policies and ratings, please visit our website **www.brickworkratings.com**