



Rating Rationale

Windcare India Pvt Ltd

18 July 2019

Brickwork Ratings reaffirms the ratings for the Bank Loan Facilities of ₹. 9.53 Crores of Windcare India Pvt Ltd.

Particulars

Facility	Amount (₹ Crs)		Tenure	Rating*	
	Previous	Present		Previous (Month, Year)	Present
Fund based	6.14	6.03	Long Term	BWR BB- (Pronounced as BWR Double B Minus) Outlook:Stable	BWR BB- (Pronounced as BWR Double B Minus) Outlook:Stable (Reaffirmed)
Non Fund Based	3.50	3.50	Short Term	BWRA4 (Pronounced as BWR Single A Four)	BWRA4 (Pronounced as BWR Single A Four) (Reaffirmed)
Total	9.64	9.53	INR Nine Crores Fifty Three Lakhs Only		

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

Ratings: Reaffirmed

Rationale/Description of Key Rating Drivers/Rating sensitivities:

BWR has relied upon Windcare India Pvt Ltd's (WIPL or "the company") audited financial results upto FY18, provisional financial data of FY19, projected financial data of FY20 and FY21, and publicly available information and the information/clarifications provided by the company.

The rating draws strength from the moderate financial conditions of the company and continued earning of profit. The rating is however constrained by stagnant net sales and marginal decline in the liquidity profile of company in FY18 vis a vis FY17.



Description of Key Rating Drivers

- **Credit Strengths**

Debt Protection Metrics - The ISCR and DSCR stand at 2.29 times and 1.98 times respectively in FY18 reflecting adequate ability of the company to honour its commitment under debt liabilities. The ISCR and DSCR have continued to remain adequate in FY19 (provisional) with 3.82 times and 2.23 times respectively.

Tangible Net Worth(TNW) - The tangible net worth of the company has improved from ₹ 9.57 crores in FY18 to ₹ 11.11 crores in FY19 (Provisional) due to retention of profit.

Customer Relationship - Customer Profile is characterized by continued support of customers with whom the company has established business relationship since its inception.

- **Credit Risks:**

Current Ratio - The current ratio stands at 1.66 times in FY18 which has declined to 1.42 times in FY19(provisional) showing stress in the liquidity position.

Analytical Approach

For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

Liquidity: Current ratio stands at 1.66 times in FY18 and declined to 1.42 times as per FY 19 provisionals which shows signs of liquidity stress.

Rating Outlook: *Stable*

BWR believes the **Windcare India 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.

About the Company

Windcare India Pvt Ltd (“WIPL or the company”) was established as a private limited company in the year 2004, and is located in Tamil Nadu. The company is a service Provider of Windmill and Solar Projects, Erection and De-erection of Windmill and Solar Projects. The Windmill and Solar Projects are allotted to WIPL on subcontracting basis. The company gets orders from Gamesa, Suzlon, Vestas, GE Energy, ReGen, RRB Energy, Cwel, LM Wind Power, Global Wind Power, Inox Wind, and Leitwind besides, WIPL does contract work with around 40 companies. Some of the Services offered by WIPL are: Gearbox Replacement, Generator Replacement, Rotor Replacement, Blade, Replacement, Unbalanced Rotor and Blade Pitch Bearing. The company operates across India and has also worked in projects outside India.



Company Financial Performance

The company has reported a total revenue of ₹ 42.41 Cr in FY19 (Provisional), ₹ 41.44 Cr in FY18 and ₹ 38.36 Cr in FY17. Net Profit margin was at 3.63% in FY19 (Provisional), 3.23% at FY18 and 3.05% in FY17. Tangible net worth stood at ₹8.23 Cr as on 31st March 2017 which has increased to ₹ 9.57 Cr as on 31st March 2018 and has further increased to ₹ 11.11 Cr as per 31st March 2019 (Provisional)

Rating History for the last three years

S.No	Instrument /Facility	Current Rating			Rating History		
		Type (Long Term/ Short Term)	Amount (₹ Crs)	Rating	2018	2017	2016
1	Fund Based	Long Term	6.03	BWR BB- (Pronounced as BWR Double B Minus) Outlook:Stable (Reaffirmed)	BWR BB- (Pronounced as BWR Double B Minus) Outlook:Stable	BWR B+ (Pronounced as BWR Single B Plus) Outlook:Stable	NA
2	Non Fund Based	Short Term	3.50	BWRA4 (Pronounced as BWR Single A Four) (Reaffirmed)	BWRA4 (Pronounced as BWR Single A Four)	BWRA4 (Pronounced as BWR Single A Four)	NA
Total			9.53	₹Nine Crores Fifty Three Lakhs Only			

Key Financial Indicators

Key Parameters	Units	2018	2017
Result Type		Audited	Audited
Operating Revenue	₹ Crores	41.44	38.36
EBITDA	₹ Crores	2.01	2.80
PAT	₹ Crores	1.34	1.17
Tangible Net worth	₹ Crores	9.57	8.23



Total Debt/Tangible Net worth	Times	0.72	0.83
Current Ratio	Times	1.66	1.47

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Infrastructure Sector](#)
- [Short Term Debt](#)

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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, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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