Rating rationale

Anawil Wire and Engineering Ltd

Ratings upgraded; rated amount enhanced

Rating action

Total bank loan facilities rated	**Rs 135 crore (enhanced from Rs 69 crore)**	**Regulator of instrument**
Long-term rating	**Crisil BBB/Stable (upgraded from 'Crisil BBB-/Stable')**	**RBI**
Short-term rating	**Crisil A3+ (upgraded from 'Crisil A3')**	**RBI**

Note: None of the directors on the board of Crisil Ratings Ltd are members of the rating committee and thus do not participate in discussion or assignment of any rating. The board of directors also does not discuss any rating at its meetings.
1 crore = 10 million
Refer to annexure for details of instruments and bank facilities

Detailed rationale

Crisil Ratings has upgraded its ratings on the bank facilities of Anawil Wire and Engineering Ltd (AWEL) to **'Crisil BBB/Stable/Crisil A3+'** from 'Crisil BBB-/Stable/Crisil A3'.

The upgrade highlights a significant improvement in the financial risk profile of AWEL, driven by its Rs 142.69 crore initial public offering (IPO). Of this, Rs 115 crore will be used to repay debt and the rest for general corporate purposes, including IPO expenses. The consequent debt reduction and healthy cash accrual will also enhance liquidity over the medium term. Further, the business risk profile has been growing, with revenue reaching Rs 143.41 crore in fiscal 2026, driven by healthy order book of Rs 359 crore as of March 2026. The operating margin is expected to sustain around 40% over the medium term, backed by timely order book execution.

The ratings reflect the extensive experience of the promoters in the engineering and capital goods industry along with healthy order book providing revenue visibility and strong financial risk profile of AWEL. These strengths are partially offset by moderate scale of operations, high customer concentration in the revenue profile and large working capital requirement.

Analytical approach

Crisil Ratings has evaluated the standalone business and financial risk profiles of AWEL.

Key rating drivers - Strengths

Extensive experience of the promoters and healthy order book

The two-decade-long experience of the promoters in the engineering and capital goods industry, their strong understanding of the market dynamics and established relationships with suppliers and customers will continue to support the business risk profile. Orders worth Rs 359 crore as of March 2026 along with new letters of intent worth Rs 120 crore received in the first quarter of fiscal 2027, are to be executed over the next 06–18 months, and thus, provide significant revenue visibility over the medium term.

Healthy financial risk profile

The financial risk profile has improved after its IPO raised a fresh issue of Rs 142.69 crore, which will primarily be utilised towards repayment/prepayment of debt. Consequently, the capital structure is expected to remain comfortable, with gearing projected below 0.05 time and total outside liabilities to tangible networth ratio at 0.25 time as on March 31, 2027. Further, lower debt and strong cash flow will boost debt protection metrics and financial flexibility over the medium term.

Key rating drivers - Weaknesses

Modest scale and high customer concentration

Revenue growth to Rs 143.4 crore in fiscal 2026, from Rs 79.1 crore in fiscal 2025, remains constrained by high customer concentration—with the top five customers accounting for more than 70% of sales. Further, operations face stabilisation risk post capital expenditure at the Gujarat unit. Reduced dependence on major customers will remain a key rating sensitivity factor.

Large working capital requirement

Gross current assets have been sizeable at 180–290 days for the past three fiscals and were 292 days as on March 31, 2026, led by receivables of 99 days and inventory of 226 days. The company needs to extend high credit period to customers and hold work-in-process and raw material inventory to meet business requirement.

Liquidity: Adequate

Liquidity should remain supported by the ample surplus available in cash accrual and bank lines. Bank limit utilisation was around 84% for the 12 months ended June 30, 2026. Cash accrual is projected at Rs 80 crore per annum, against low yearly debt obligation from fiscal 2027 over the medium term. The promoters are likely to extend timely, need-based funds (such as equity and unsecured loans) to aid operations.

Outlook: Stable

AWEL will continue to benefit from the extensive experience of its promoters and their established relationship with clients.

Rating sensitivity factors

Upward scenario

- Scale of operations improving to over Rs 300 crore and sustenance of operating margin, leading to higher-than-expected cash accrual
- Improvement in the working capital cycle

Downward scenario

- Decline in revenue or operating margin, resulting in net cash accrual below Rs 25 crore
- Further stretch in the working capital cycle, thus weakening liquidity and financial profiles

About the company

Established as Anawil Wire and Engineering Pvt Ltd in January 2021, the entity was converted into a public-limited company with the current name in March 2025. AWEL manufactures windmill towers, heavy fabrication and advanced engineering components at its manufacturing facility in Koppal (Karnataka) and Kutch (Gujarat). Nimish Kumar Rameshchandra Vashi, Ayush Nimish Vashi and Bhavin Navinchandra Desai manage the business.

Key financials

As on/for the period ended March 31	Unit	2026	2025
Operating income	Rs crore	143.41	79.13
Reported profit after tax (PAT)	Rs crore	35.95	13.98
PAT margin	%	25.07	17.67
Adjusted debt/adjusted networth	Times	1.44	1.35
Interest coverage	Times	10.24	5.16

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Crisil Ratings` complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments

Annexure - Details of instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity level	Rating outstanding with outlook	Regulator of the instrument
NA	Bank guarantee	NA	NA	NA	3.00	NA	Crisil A3+	RBI
NA	Cash credit	NA	NA	NA	12.00	NA	Crisil BBB/Stable	RBI
NA	Proposed working capital facility	NA	NA	NA	111.94	NA	Crisil BBB/Stable	RBI
NA	Term loan	NA	NA	31-Mar-30	7.26	NA	Crisil BBB/Stable	RBI
NA	Term loan	NA	NA	31-Mar-30	0.80	NA	Crisil BBB/Stable	RBI

Note: 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.

Annexure - Rating history for past three years

	Current			2026 (History)		2025		2024		2023		Start of 2023
Instrument	**Type**	**Outstanding amount**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Rating**
Fund-based facilities	LT	132.0	Crisil BBB/Stable		--	23-06-25	Crisil BBB-/Stable		--		--	--
Non-fund-based facilities	ST	3.0	Crisil A3+		--	23-06-25	Crisil A3		--		--	--

All amounts are in Rs crore

Annexure - Details of bank lenders/facilities

Facility	Amount (Rs crore)	Name of lender	Rating
Bank guarantee	3	Bank of Baroda	Crisil A3+
Cash credit	12	Bank of Baroda	Crisil BBB/Stable
Proposed working capital facility	66	Not applicable	Crisil BBB/Stable
Proposed working capital facility	45.94	Not applicable	Crisil BBB/Stable
Term loan	7.26	Bank of Baroda	Crisil BBB/Stable
Term loan	0.8	The Cosmos Co-Operative Bank Ltd	Crisil BBB/Stable

Annexure: List of instruments and names of regulators of the instruments

As required by the Securities and Exchange Board of India-Credit Rating Agencies (SEBI CRA) circular dated February 10, 2026, a list of activities or instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs, is being disclosed below:

A. Rating activities

Sr no	Instrument/activity name	Regulator of the instruments
1	Listed/proposed to be listed bonds/debentures/preference share (all securities)	SEBI
2	Unlisted/proposed to be unlisted bonds/debentures/preference share (all securities)	MCA
3	Listed PTCs/securitisation notes (originated by entities regulated by RBI)*	SEBI
4	Listed PTCs/securitisation notes (originated by entities not regulated by RBI)*	SEBI
5	Unlisted PTCs/securitisation notes (originated by entities regulated by RBI)*	RBI
6	Listed commercial paper and NCDs with original maturity less than one year	RBI
7	Unlisted commercial paper and NCDs with original maturity less than one year	RBI
8	Loan facilities (fund/non-fund based) from bank/NBFCs/NHB/FIs^	RBI
9	External commercial borrowings and other similar borrowing	RBI
10	Certificates of deposit	RBI
11	Fixed deposits raised by NBFCs, banks, HFCs, FIs	RBI
12	Fixed deposits raised by corporates other than NBFCs, banks, HFCs, FIs	MCA
13	Inter corporate deposits/loans extended by corporates	MCA
14	Borrowing programme~	-
15	Issuer ratings#	-
16	Credit ratings for capital protection oriented schemes (by mutual funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for mutual fund schemes and schemes of AIFs	SEBI

18	Listed security receipts	SEBI
19	Unlisted security receipts	RBI
20	Independent credit evaluation (ICE)	RBI
21	Expected loss ratings (for loan facilities (fund/non-fund based) from bank/NBFCs/NHB/FIs)	RBI
22	Expected loss ratings (listed/proposed to be listed bonds/debentures/preference share [all securities])	SEBI
23	Expected loss ratings (unlisted/proposed to be unlisted bonds/debentures/preference share [all securities])	MCA
24	Unlisted PTCs/securitisation notes (originated by entities not regulated by RBI)*	Investor-side regulator such as IRDAI, PFRDA @

** Includes securitisation transactions involving assignee payout, acquirer's payout.*
~ 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), Crisil Ratings Ltd shall separately capture the rated quantum details along with names of respective regulators.
^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.
 # There is no instrument being rated and hence, regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in the SEBI Master circular for CRAs.
@ These ratings were assigned during regulatory regime prior to introduction of the SEBI CRA circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: 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.

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