



Press Release
SHAKTI INSULATED WIRES PRIVATE LIMITED
January 12, 2026
Rating Reaffirmed and Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.75	Not Applicable Withdrawn	-
Bank Loan Ratings	22.25	-	ACUITE A4 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	22.25	-	-
Total Withdrawn Quantum (Rs. Cr)	25.75	-	-

Rating Rationale

Acuite has reaffirmed the short-term rating of '**ACUITE A4**' (read as **ACUITE A four**) on the Rs. 22.25 crore bank facilities of Shakti Insulated Wires Private Limited (SIWPL).

Acuite has also withdrawn its rating on the proposed long-term bank facilities of Rs.25.75 Cr. of Shakti Insulated Wires Private Limited (SIWPL) without assigning any rating as it is a proposed facility. The rating has been withdrawn on account of the request received from the company.

The rating withdrawal is in accordance with Acuite's policy on withdrawal of ratings as applicable to the respective facility / instrument.

Rationale for rating:

The rating reflects the company's experienced management and established operational track record. These strengths are partially offset by its below-average financial risk profile characterized by negative net worth, low debt protection metrics, and stretched liquidity position. While working capital operations remain efficient, the overall credit profile continues to be constrained by high reliance on unsecured loans and limited cash accruals.

About the Company

Incorporated in 1962, Shakti Insulated Wires Private Limited is a manufacturer and exporter of Paper Covered Rectangular and Round Copper wire for Power and Distribution Transformer. They are supplying to major Power Transformer manufactures in India and abroad. Mr. Rajiv Javeri and Ms. Shivani Markand Thakore are the directors of the company. Its registered office is at Borivali and manufacturing units are in Ankleshwar and Pune.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Shakti Insulated Wires Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Experienced management and long track record of operations

Shakti Insulated Wires Private Limited (SIWPL) was incorporated in 1962 and is engaged in manufacturing of paper-covered rectangular and round copper wires used in power and distribution transformers. The promoters have an extensive experience of more than six decades in the said line of business. The directors are involved in day-to-day operations of the company and are ably supported by a strong line of mid-level managers. The long experience of the directors has helped the company to make healthy relationships with the customers and export to countries like Kuwait & Dubai etc.

Acuité believes the experience of the directors and the long track record of operations will help the Group in maintaining their business risk profile over the medium term.

Efficient working capital operations

The working capital operations of the company is efficient in nature, with Gross Current Assets (GCA) of 48 days in FY2025, compared to 53 days in FY2024 driven by improved debtor days. The debtor days stood at 19 days in FY2025 as compared against 27 days in FY2024. The company receives payments from customer within average 40–45 days. The creditor days stood at 28 days in FY2025 as against 40 days in FY2024. The inventory levels stood at 19 days in FY2025 as compared against 18 days in FY2024.

Acuité believes that working capital operations of the company will continue to remain in similar range over medium term considering the nature of business.

Weaknesses

Deterioration in revenue performance albeit marginal improvement in profitability

The company's revenue declined and stood at Rs. 90.76 Cr. in FY2025 from Rs. 99.27 Cr. in FY2024. This decline was due to company's focused was on debt reduction along with disturbance in international market regarding geopolitical instances. The company majorly export to two countries i.e Dubai and Kuwait etc. The operating margin of the company improved marginally to 5.42 percent in FY2025 as against 5.18 percent in FY2024. This is due to slight reduction in operating expenses. The net profit margin of the company remained at negative 1.22 percent in FY2025 as against negative 2.40 percent in FY2024 on account of lower interest cost during the year.

The company continues to have a negative PAT margin as marked by the PAT margin of negative 1.22 percent for FY2025 as against negative 2.40 percent for FY2024. Acuité believes that the ability of the company to improve the margins will remain a key rating sensitivity in medium term.

Below Average financial risk profile

The Financial risk profile of company is marked by negative net worth, below average gearing and debt protection metrics. The net worth of the company stood negative at Rs. 40.89 Cr. as on 31 March 2025 as against Rs. 39.78 Cr. as on 31 March 2024 on account of low accretion to reserves. The gearing (debt-equity) stood at negative 1.31 times as on 31 March, 2025 as against negative 1.31 times as on 31 March 2024. The total debt of Rs.53.74 Cr. consists of Rs. 7.47 Cr. of short-term debt, Rs.46.24 Cr. of unsecured loan from directors, Rs.0.03 Cr. of current maturities of long-term debt. The TOL/TNW stood negative at 1.65 times as on 31 March 2025 as against negative 1.74 times as on 31 March 2024. The interest coverage ratio and DSCR stood lower at 0.97 times and 0.55 times for FY2025 as against 0.79 times and 0.51 times for FY2024. The Net Cash Accruals to Total debt stood at negative of 0.00 times for FY2025.

Rating Sensitivities

- Movement in revenues and profitability
- Improvement in the financial risk profile
- Working capital cycle

Liquidity Position

Stretched

The company's liquidity position of company is marked stretched, with insufficient negative net cash accruals (NCA) of Rs.0.16 crore in FY2025 against maturing debt repayment obligations of Rs.4.02 crore during the same period. However, the company managed the shortfall primarily through unsecured loans (USL). Further, the director availed a loan of Rs.20 crore from Bajaj Finance to repay the total outstanding loan and also liquidated their personal shareholding, utilizing a portion of the proceeds to meet term loan obligations. Additionally, part of the amount was extended to the company as an unsecured loan. Going forward, NCAs are expected to improve and range between Rs.0.23 crore and Rs.0.70 crore for FY2026–FY2027, with no scheduled repayment obligations in these years. The current ratio was low and stood at 0.56 times as on March 31, 2025. Further, the company had a cash and bank balance of Rs.0.27 Cr. as on March 31, 2025.

Acuité believes that going forward the liquidity position of the company is expected to improve due to gradually improving cash accruals and absence of any debt funded capex plans.

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	90.76	99.27
PAT	Rs. Cr.	(1.11)	(2.38)
PAT Margin	(%)	(1.22)	(2.40)
Total Debt/Tangible Net Worth	Times	(1.31)	(1.31)
PBDIT/Interest	Times	0.97	0.79

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
31 Dec 2025	PC/PCFC	Short Term	13.25	ACUITE A4 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	9.00	ACUITE A4 (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	25.75	ACUITE B Stable (Upgraded from ACUITE B-)
04 Aug 2025	PC/PCFC	Short Term	15.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	3.43	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	7.07	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Term Loan	Long Term	1.27	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Term Loan	Long Term	8.64	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Term Loan	Long Term	12.59	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
08 May 2024	PC/PCFC	Short Term	3.43	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	PC/PCFC	Short Term	15.00	ACUITE A4 (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	12.59	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	8.64	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.27	ACUITE B (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	7.07	ACUITE B (Reaffirmed & Issuer not co-operating*)
10 Feb 2023	PC/PCFC	Short Term	15.00	ACUITE A4 (Assigned)
	PC/PCFC	Short Term	3.43	ACUITE A4 (Assigned)
	Term Loan	Long Term	7.07	ACUITE B Stable (Assigned)
	Term Loan	Long Term	1.27	ACUITE B Stable (Assigned)
	Term Loan	Long Term	8.64	ACUITE B Stable (Assigned)
	Term Loan	Long Term	12.59	ACUITE B Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Abhyudaya Cooperative Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.00	Simple	ACUITE A4 Reaffirmed
Abhyudaya Cooperative Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.25	Simple	ACUITE A4 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.75	Simple	ACUITE Not Applicable Withdrawn

Contacts

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About Acuité Ratings & Research

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