



**Press Release**  
**Welspun Enterprises Limited**  
**September 01, 2023**  
**Rating Withdrawn**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	100.00	Not Applicable   Withdrawn	-
Non Convertible Debentures (NCD)	375.00	Not Applicable   Withdrawn	-
Commercial Paper (CP)	225.00	-	Not Applicable   Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	700.00	-	-

**Rating Rationale**

Acuite has withdrawn its long term rating on the issue of non-convertible debentures of Rs.375.00 Cr and bank loan ratings of Rs.100 Cr. of Welspun Enterprises Limited (WEL). Further, Acuite has also withdrawn its short-term rating on the Rs.225.00 Cr Commercial Paper (CP) of WEL. All the outstanding NCDs, term loans and CPs have been paid off and the rating has been withdrawn on account of the request received from the company along with redemption certificate and NOCs from the lenders as per Acuite policy on withdrawal of ratings.

**About the Company**

Welspun Enterprises Limited (WEL) is the infrastructure arm of Welspun Group promoted by Mr. B.K. Goenka and Mr. R R Mandawewala. WEL is an operating as well as holding company, executing Engineering Procurement and Construction (EPC) contracts for construction of roads, highways. The company has successfully executed Build Operate and Transfer (BOT) and Hybrid Annuity Model (HAM) projects in the past and is presently focused on executing existing captive HAM and BOT projects along with diversification in external EPC contracts under road and water segment. WEL has an established presence in road infrastructure through various SPVs, and is also engaged in oil and gas exploration activities through Welspun Natural Resources Private Limited (WNRPL). WNRPL in a joint venture with Adani Group has promoted Adani Welspun Exploration Limited. WNRPL has 4 Oil & Gas blocks of which one block is in Kutch, 2 blocks in Mumbai (under AWEL) and 1 block is in Palej (under WNRPL).

**Analytical Approach**

Acuite has considered the standalone business and financial risk profiles of the WEL to arrive at this rating.



Not Applicable

**Weaknesses**

Not Applicable

**ESG Factors Relevant for Rating**

Not Applicable

**Rating Sensitivities**

Not Applicable

**All Covenants**

Not Applicable

**Liquidity Position: Not Applicable**

**Outlook: Not Applicable**

**Other Factors affecting Rating**

Not Applicable

## Key Financials

Particulars	Unit	FY 23 (Actual)	FY 22 (Actual)
Operating Income	Rs. Cr.	2676.38	1306.94
PAT	Rs. Cr.	713.12	93.44
PAT Margin	(%)	26.64	7.15
Total Debt/Tangible Net Worth	Times	0.27	0.36
PBDIT/Interest	Times	11.19	3.40

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

Not Applicable

### Any other information

Not Applicable

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Commercial Paper: <https://www.acuite.in/view-rating-criteria-54.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité'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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Sep 2022	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Commercial Paper Program	Short Term	225.00	ACUITE A1+ (Reaffirmed)
	Term Loan	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	75.00	ACUITE AA-   Stable (Reaffirmed)
04 Jul 2022	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Term Loan	Long Term	100.00	ACUITE AA-   Stable (Assigned)
	Commercial Paper Program	Short Term	225.00	ACUITE A1+ (Reaffirmed)
	Non Convertible Debentures	Long Term	75.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
07 Oct 2021	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	75.00	ACUITE AA-   Stable (Reaffirmed)
	Term Loan	Long Term	100.00	ACUITE AA-   Stable (Assigned)
	Commercial Paper Program	Short Term	225.00	ACUITE A1+ (Reaffirmed)
04 Dec 2020	Commercial Paper Program	Short Term	225.00	ACUITE A1+ (Assigned)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	100.00	ACUITE AA-   Stable (Reaffirmed)
	Non Convertible Debentures	Long Term	175.00	ACUITE AA-   Stable (Reaffirmed)
27 May 2020	Proposed Non Convertible Debentures	Long Term	375.00	ACUITE Provisional AA-   Stable (Assigned)
	Proposed Non Convertible Debentures	Long Term	375.00	ACUITE Provisional AA-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Not Applicable	Not Applicable	Commercial Paper Program	Not Applicable	Not Applicable	Not Applicable	Simple	225.00	Not Applicable   Withdrawn
Union Bank of India	INE625G07010	Non-Convertible Debentures (NCD)	01 Jun 2020	8.85	01 May 2023	Simple	100.00	Not Applicable   Withdrawn
Central Bank of India	INE625G07010	Non-Convertible Debentures (NCD)	27 May 2020	8.85	27 May 2023	Simple	75.00	Not Applicable   Withdrawn
Bank of Baroda	INE625G07028	Non-Convertible Debentures (NCD)	27 May 2020	9.75	27 May 2023	Simple	100.00	Not Applicable   Withdrawn
Bank of Baroda	INE625G07028	Non-Convertible Debentures (NCD)	30 Jun 2020	8.85	30 Jun 2023	Simple	100.00	Not Applicable   Withdrawn
Axis Bank	Not Applicable	Term Loan	27 Feb 2021	8.01	31 Mar 2027	Simple	100.00	Not Applicable   Withdrawn

## Contacts

Analytical	Rating Desk
Aditya Gupta Vice President-Rating Operations Tel: 022-49294041 <a href="mailto:aditya.gupta@acuite.in">aditya.gupta@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>
Nitul Dutta Manager-Rating Operations Tel: 022-49294065 <a href="mailto:nitul.dutta@acuite.in">nitul.dutta@acuite.in</a>	

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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