



**Press Release**  
**BOTIL OIL TOOLS INDIA PRIVATE LIMITED**  
**December 30, 2025**  
**Rating Assigned and Reaffirmed**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	1.00	ACUITE BBB   Stable   Assigned	-
Bank Loan Ratings	23.00	ACUITE BBB   Stable   Reaffirmed	-
Bank Loan Ratings	1.00	-	ACUITE A3+   Assigned
Bank Loan Ratings	46.00	-	ACUITE A3+   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	71.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed its long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and Short term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on Rs. 69.00 Cr. bank facilities of Botil Oil Tools India Private Limited (BOTIPL). The outlook is '**Stable**'.

Acuite also has assigned its long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) and Short term rating of '**ACUITE A3+**' (read as **ACUITE A three plus**) on Rs.2.00 Cr. bank facilities of Botil Oil Tools India Private Limited (BOTIPL). The outlook is '**Stable**'.

**Rationale for rating reaffirmation:**

The rating reaffirmation considers the stable operating performance of the company in FY2025 with stable profitability and expectation of stable operations in the current year. The rating also draws comfort from the healthy financial risk profile and adequate liquidity position of the company. However, the rating is constrained by intensive working capital operations and susceptibility of profitability to volatility in raw material prices and forex fluctuations.

**About the Company**

Botil Oil Tools India Private Limited (BOTIPL) was set up as a joint venture company in 1985 with Mr. H.L. Khushalani and his family Located at Bilaspur, Gurgaon with 60% stake and Baker Oil Tools, a subsidiary of Baker Hughes, acquiring the balance. Baker Hughes is a leading global oilfield services company. BOTIPL commenced commercial production in 1989 with the technology obtained from Baker Hughes. In 1995, Baker Hughes sold its 40% stake in Botil to Hong Kong-based private equity investment company viz. White Horse Trading Limited. Botil is engaged in the manufacture of oil drilling and production tools such as bridge plugs, floating equipment, packers, liner hanger and flow control equipment. The company supplies these equipment's to domestic oil and gas exploration and production companies such as ONGC and Oil India, as well as exports them to countries such as GCC and MENA, Southeast Asia,

Latam etc. The company's manufacturing facilities are located at Bilaspur, Gurgaon.

## Unsupported Rating

Not applicable

## Analytical Approach

Acuité has considered the standalone financial and business risk profile of Botil Oil Tools India Private Limited to arrive at this rating.

### Key Rating Drivers

#### Strengths

##### **Experienced management and an established track record of operations**

BOTIPL is promoted by Mr. H L Khushalani and currently being managed by Miss. Raksha Khushalani and family members who collectively possess experience of nearly 5 decades in the same industry. The extensive experience of promoters has helped the company in establishing long-term relationships with its customers and suppliers for repeat orders. BOTIPL's customers include companies includes ONGC, Oil India Limited and many other customers from GCC and MENA, South east Asia, LATAM etc. The extensive industry experience and relations has helped the company in improving its scale of operations over the years. Acuite believes that BOTIPL may continue to benefit from its established track record of operations and longstanding relationships with its customers and suppliers.

##### **Stable operating performance:**

BOTIPL registered revenue of Rs.135.76 Cr in FY2025, grown by almost ~29 percent compared to Rs.105.62 Cr registered in FY2024. This growth in revenue was due to increased order flow for flow control equipment and packers. Additionally, during the H1FY2026 the company registered revenue of Rs.42.29 Cr as compared to Rs.45.55 Cr in H1FY2025 and expected to end the year with the revenue range of Rs.115-125 Cr. The operating profit margin declined to 19.48 percent in FY2025 from high of 29.75 percent registered in FY2024. The decline in margin was primarily due to increased competitive pressure in bidding. Further, the PAT margin also declined marginally to 16.05 percent in Fy2025 from 19.44 percent in FY2024, however, in absolute terms improved marginally to Rs.21.78 Cr in FY2025 from Rs.20.53 Cr in FY2024, due to profits from sale of land. Acuite believes, operating performance would remain in the similar levels, while profitability expected to improve marginally.

##### **Healthy financial risk profile:**

The company's financial risk profile is healthy marked by healthy network, low gearing and healthy debt-protection metrics. The net worth stood at Rs.105.10 Cr as on March 31, 2025 compared to Rs.83.27 Cr as on March 31, 2024. The improvement in net worth is due to accretion of profits to reserves. The debt level (comprising long-term debt of Rs.3.03 Cr, Rs.31.36 Cr short-term debt and Rs.1.88 Cr of current maturities of long-term debt) declined to Rs.36.27 Cr as on March 31, 2025 against Rs.75.01 Cr as on March 31, 2024, owing to closure of entire unsecured loans of Rs.26.82 Cr during FY2025. Consequently, the gearing level and total outside liabilities to tangible net worth (TOL/TNW) improved to 0.35 times and 0.44 times, respectively as on March 31, 2025 from 0.90 times and 1.02 times as on March 31, 2024. The debt protection metrics remained healthy with interest coverage ratio (ICR) and debt service coverage (DSCR) of 5.03 times and 3.94 times as on March 31, 2025 compared to 4.98 times and 4.28 times respectively as on March 31, 2024. Debt to EBITDA also improved to 1.10 times as on March 31, 2025 against 2.36 times as on March 31, 2024. Acuite believes, the financial risk profile of the company will remain healthy over the medium-term in absence of debt funded capex plans and improving profitability.

#### Weaknesses

##### **Intensive working capital operations:**

The working capital operations remained intensive as reflected through the gross current

asset (GCA) of 267 days in FY2025 compared to 445 days in FY2024. The GCA days improved though remained elongated levels due to high inventory levels, which majorly comprises of work-in-progress. Inventory days improved yet remained high at 172 days in FY2025 as against 337 days in FY2024. The high inventory days is the requirement in this business as it takes approximately 7 -8 months for the raw material (which includes 2 months for production of the special metal composition required by the customer coupled with 3-4 months of transportation and 2 months of inspection at receiving port) before it reaches to the company's warehouse. Additionally, receivable period has also improved in FY2025 to 96 days from 165 days in FY2024, which resulted in improvement of GCA days. However, the dependency on the fund based working capital limits remained moderate at ~60 percent during the past 12 months ending October 2025. Acuite believes that the working capital operation will remain intensive with high inventory days.

**Susceptibility of profitability to volatility in raw material prices and forex fluctuations:**

BOTIPL's key inputs including alloy steels and other metal components, are exposed to inherent price volatility, which can exert pressure on operating margins in the absence of adequate price-revision mechanisms with customers. The essence of fluctuation in prices is present in this industry. However, because roughly half of the raw materials are imported, there is a natural hedge to some extent, as is demonstrated by the fact that the company has not suffered any huge foreign exchange losses.

**Rating Sensitivities**

- Sustaining the growth in revenue and profitability.
- Improvement in the working capital operations.
- Deterioration in financial risk profile.

**Liquidity position: Adequate**

The company registered net cash accruals (NCAs) of Rs.26.42 Cr in FY2025 against the debt repayment obligation of Rs.1.84 Cr. Further, BOTIPL is expected to register NCAs in the range of Rs.26-30 Cr over the medium term as against debt repayment of Rs.1.20-1.80 Cr. The working capital operations are intensive with GCA days of 267 in FY2025, while the current ratio stood at 2.50 times as on March 31, 2025. The fund-based working capital limits were moderately utilized at an average of ~60 percent over the past 12 months ending October 2025. The company has Rs.3.32 Cr unencumbered cash and bank balances and Rs.10.70 Cr in fixed deposits, which provides additional comfort towards the liquidity.

**Outlook: Stable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	135.76	105.62
PAT	Rs. Cr.	21.78	20.53
PAT Margin	(%)	16.05	19.44
Total Debt/Tangible Net Worth	Times	0.35	0.90
PBDIT/Interest	Times	5.03	4.98

### 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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
11 Oct 2024	Letter of Credit	Short Term	4.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	22.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Letter of Credit	Short Term	6.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee (BLR)	Short Term	14.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Packing Credit	Long Term	1.50	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Packing Credit	Long Term	15.00	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
	Packing Credit	Long Term	6.50	ACUITE BBB   Stable (Upgraded from ACUITE BBB-   Stable)
14 Dec 2023	Letter of Credit	Short Term	4.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	6.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	9.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	6.00	ACUITE A3 (Reaffirmed)
	Proposed Bank Guarantee	Short Term	21.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BBB-   Stable (Reaffirmed)
	Packing Credit	Long Term	15.00	ACUITE BBB-   Stable (Reaffirmed)
31 Jan 2023	Letter of Credit	Short Term	4.00	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	6.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	9.00	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	6.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	8.00	ACUITE BBB-   Stable (Assigned)
	Packing Credit	Long Term	15.00	ACUITE BBB-   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
Punjab National Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE A3+   Reaffirmed
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE A3+   Reaffirmed
Punjab National Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A3+   Reaffirmed
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A3+   Reaffirmed
State Bank of India	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE BBB   Stable   Reaffirmed
Punjab National Bank	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB   Stable   Reaffirmed
State Bank of India	Not avl. / Not appl.	Packing Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.50	Simple	ACUITE BBB   Stable   Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB   Stable   Assigned
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE A3+   Assigned

## Contacts

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### 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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