



Press Release
BAPL ROTOTECH PRIVATE LIMITED
July 04, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	115.00	ACUITE A Stable Upgraded	-
Bank Loan Ratings	25.00	-	ACUITE A1 Upgraded
Total Outstanding Quantum (Rs. Cr)	140.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to '**ACUITE A**' (read as **ACUITE A**) from '**ACUITE A-**' (read as **ACUITE A minus**) and the short-term rating to '**ACUITE A1**' (read as **ACUITE A one**) from '**ACUITE A2+**' (read as **ACUITE A two plus**) on the Rs. 140.00 Cr. bank facilities of BAPL Rototech Private Limited (BRPL). The outlook is '**Stable**'.

Rationale for rating

The rating upgrade factors the improvement in the financial risk profile marked by comfortable capital structure and strong coverage indicators. Going forward, the financial risk profile is expected to remain healthy with adequate liquidity. The ratings further takes into account of BRPL's stable market position in the auto component segment and its strong foothold in the commercial vehicle segment, supported by the strong parentage. The ratings are however, constrained by the susceptibility to volatility in raw material prices along with high customer concentration. Nonetheless, the customer profile remains reputed and company is in process of expanding its capacity that would help it to diversify its customer base to an extent. The ratings also take into account the working capital intensive nature of the operations. Acuite notes that the company's revenues and earnings are susceptible to the inherent cyclicity of the domestic CV industry.

About the Company

Incorporated on August 20, 2015, BAPL Rototech Private Limited (BRPL) is a Joint Venture between Welspun BAPL Private Limited (erstwhile Plastauto Private Limited) and Rototech SRL, Italy. The company specializes in design, development, production, and supply of automotive fuel tank and AdBlue tank. The company is a leading manufacturer of plastic fuel tanks, diesel exhaust fluid (DEF), urea tanks, adblue tanks and CV exterior parts fender, mud guards, snorkels etc. using roto moulding and blow moulding technology, catering the needs of the automotive industry in commercial vehicle (CV) segment in India. The company possess an extensive pan-India manufacturing footprint with 4 strategically located unit across the country at Pithampur, Jamshedpur, Pune and Pantnagar respectively. Directors of the company are Mr. Oreste Accornero, Mr. Giulio Accornero. Mr. Raju Govindarajalu, Mr. Davide Accornero, Mr. Rajesh Mandawewala, Mr. Viswanathan Kollengode and Mr. Yashovardhan Agarwal.

About the Group

The company is a subsidiary of Welspun BAPL Private Limited that is a part of the Welspun Group, with 100 per cent of the stake being held by trustee Mr. B.K. Goenka on behalf of the Welspun Group Master Trust. Welspun Group, promoted by Mr. Balkrishnan G Goenka and Mr. Rajesh R Mandawewala since 1985, is headquartered in Mumbai and has presence across varied business segment such as Home Textiles, Line Pipes, Infrastructure, Steel, Oil & Gas, Retail and Flooring Solutions.

Unsupported Rating
ACUITE BBB-/Stable

Analytical Approach

Acuité has taken a standalone view of the business and financial risk profile of BRPL to arrive at the rating. While

arriving at the rating of BRPL, Acuité has taken into account a strong level of support from the Welspun group given that Welspun BAPL Private Limited (WBPL) has 70 per cent stake in BRPL.

Key Rating Drivers

Strengths

Strong parentage

Welspun Group holds over 70 per cent stake in BRPL through Welspun BAPL Private Limited (100 per cent of the stake being held by trustee Mr. B.K. Goenka on behalf of the Welspun Group Master Trust) and the balance is held by the Rototech Group, Italy. BRPL is likely to benefit from the strong reputation and financial flexibility of the Welspun Group, besides the extensive experience of its management team. Acuité also expects the group to extend need-based support to BRPL going forward.

Improvement in revenue and operation margin

The company's revenue has grown at a CAGR of ~22% from FY22-FY25 (prov.) from Rs. 160.41 Cr. to Rs. 293.66 Cr. However, the company's operating income saw a marginal decline in FY25 (prov.), against FY 24 mainly due to reduced sales of commercial vehicles in India. The EBITDA margin also declined marginally, but remained comfortable at 13.87% in FY25 (prov.) compared to 14.19% in FY24 and 12.63% in FY23. This contraction in EBITDA margin is a result of lower absorption of fixed costs. PAT margin of the company is stood at 7.00% in FY25 (prov.) against 8.00% in FY24 and 7.07% in FY23 on the account of increment in the depreciation expenses. Acuité believes that going forward company's revenue mainly depends on sales of commercial vehicle in India which will be key monitorable in near to medium term.

Healthy Financial Risk Profile

Financial risk profile is healthy marked by tangible net worth which has improved and stood at Rs. 88.40 Cr. as on 31st March 2025 (prov.) against Rs. 69.33 Cr. in FY24 and Rs. 46.87 in FY23 due to accretion to reserves. Total debt of the company stood at Rs. 28.88 Cr. in FY25 (prov.) as against Rs. 31.96 Cr. in FY24 and Rs. 53.49 Cr. in FY23. Total debt of Rs. 28.88 Cr. in FY25 (prov.) consists of Rs. 14.33 Cr. of lease liability, Rs. 9.08 Cr. of term loan and Rs. 5.47 Cr. of current maturities. Debt to Equity ratio has improved to 0.33 times in FY 2025 (prov.) against 0.46 times in FY24 and 1.14 times in FY23. The strong debt protection metrics of the company is marked by Interest Coverage Ratio is stood at 17.13 times in FY25 (prov.) against 17.39 times in FY24 and 14.75 times in FY23. DSCR stood at 5.46 times in FY25 (prov.) against 8.13 times in FY24 and 7.48 times in FY23. TOL/TNW stood at 0.68 times in FY25 (prov.) against 1.14 times in FY24 and 2.61 times in FY23 while Debt-EBITDA stood at 0.70 times in FY25 (prov.) against 0.70 times in FY24 and 1.62 times in FY23. Currently the company is setting up the expansion of the existing capacity along with setting up a new plant at Pantnagar, Uttarakhand. This will result in a capital outlay of Rs. 60 Cr. which is to be funded through term loan (sanctioned and partially disbursed) and remaining through the internal accruals. Acuité believes that going forward the financial risk profile of the company is expected to remain healthy with the debt funded capex.

Weaknesses

Intensive Working capital operations

Company has intensive working capital operations as evident from gross current assets (GCA) of 112 days in FY25 (prov.) as compared to 105 days in FY2024 and 172 days in FY23. Debtor days stood at 50 days in FY2025 (prov.) as against 42 days in FY2024 and 72 days in FY23 and Inventory days stood at 60 days in FY25 (prov.) against 62 days in FY24 and 60 days in FY23. Whereas, creditor days stood at 43 days in FY2025 (prov.) against 60 days in FY2024 and 115 days in FY23. Acuité believes that the working capital operations of the company will remain at same level due to nature of the business.

Profitability susceptible to macro-economic factors, industry cyclicality and raw material prices

The automobile industry is subjected to macro-economic headwinds emanating from inflationary pressure and economic slowdown. Economic downturns impact consumer spending on discretionary items, and hence slowdown in economic activity can impact industry sales and thus impact the company. Raw materials and components prices constituting around 70 per cent of revenues are directly influenced by international commodity prices. However, Acuité believes the risk is mitigated to some extent as the increase in raw material prices are passed on to end customers, although with a lag.

Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)

Acuite takes into consideration the benefit derived by BAPL Rototech Private Limited from the support of Welspun group.

Stress Case Scenario

While the rating has been derived on the standalone business and financial risk profiles of BRPL, Acuite believes that being the 70% step-down subsidiary of Welspun Group, in case of any stress case scenario, the required

support would come from the Welspun group entities.

Rating Sensitivities

- Movement of the scale of operations and margins
- Movement of working capital operations
- Timely completion of capex

Liquidity Position

Adequate

The company has adequate liquidity marked by net cash accruals to its maturing debt obligations. The company generated the net cash accruals of Rs. 32.04 Cr. for FY25 (prov.) as against the debt repayment obligations of Rs. 3.90 Cr. for the same period. The current ratio of the company stood at 2.41 times as on 31st March 2025 (prov.) against 1.58 times as on 31st March 2024. The cash and bank balances of the company stood at Rs. 4.89 Cr. and also company does not rely on working capital limits for managing its requirements. The liquidity is also supported by the financial flexibility of the parent company which is expected to cushion the liquidity. Acuité believes that the liquidity position of the company will remain adequate on account of healthy net cash accruals against matured debt obligations, healthy current ratio albeit debt funded capex plans over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	293.66	318.92
PAT	Rs. Cr.	20.55	25.50
PAT Margin	(%)	7.00	8.00
Total Debt/Tangible Net Worth	Times	0.33	0.46
PBDIT/Interest	Times	17.13	17.39

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>
- Group And Parent Support: <https://www.acuite.in/view-rating-criteria-47.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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook	
05 Apr 2024	Cash Credit	Long Term	10.00	ACUITE A-	Stable (Reaffirmed)
	Bills Discounting	Long Term	60.00	ACUITE A-	Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	5.00	ACUITE A-	Stable (Reaffirmed)
	Term Loan	Long Term	40.00	ACUITE A-	Stable (Assigned)
	Letter of Credit	Short Term	25.00	ACUITE A2+ (Reaffirmed)	
25 Oct 2023	Cash Credit	Long Term	10.00	ACUITE A-	Stable (Assigned)
	Bills Discounting	Long Term	60.00	ACUITE A-	Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	5.00	ACUITE A-	Stable (Assigned)
	Letter of Credit	Short Term	25.00	ACUITE A2+ (Assigned)	

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
ICICI Bank Ltd	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	60.00	Simple	ACUITE A Stable Upgraded (from ACUITE A-)
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE A Stable Upgraded (from ACUITE A-)
ICICI Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE A1 Upgraded (from ACUITE A2+)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A Stable Upgraded (from ACUITE A-)
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	20 Nov 2023	Not avl. / Not appl.	27 Jun 2029	40.00	Simple	ACUITE A Stable Upgraded (from ACUITE A-)

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Welspun BAPL Private Limited
2	BAPL Rototech Private Limited

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Siddharth Garg Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.