Press Release

WELSPUN MICHIGAN ENGINEERS LIMITED (ERSTWHILE WELSPUN MICHIGAN ENGINEERS PRIVATE LIMITED)

October 10, 2025

Rating Downgraded & Withdrawn and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	63.00	ACUITE BB+ | Downgraded & Withdrawn | Issuer not co-operating*	-
Bank Loan Ratings	12.00	Not Applicable | Withdrawn	-
Bank Loan Ratings	195.00	-	ACUITE A4+ | Downgraded & Withdrawn | Issuer not co-operating*
Bank Loan Ratings	55.00	-	Not Applicable | Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	325.00	-	-

** The issuer did not co-operate; based on best available information.*

Rating Rationale

Acuité has downgraded and withdrawn its long-term rating to **'ACUITE BB+' (read as ACUITE double B plus)** from **'ACUITE A-' (read as ACUITE A minus)** and the short-term rating to **'ACUITE A4+' (read as ACUITE A four plus)** from **'ACUITE A2+' (read as ACUITE A two plus)** on the Rs.258.00 Cr. bank facilities of Welspun Michigan Engineers Limited (Erstwhile Welspun Michigan Engineers Private Limited). The rating has been withdrawn on account of the request received from the company and the NOC (No Objection Certificate) received from the bankers.

Acuité has also withdrawn its rating on the proposed long-term and short-term facilites of Rs.67.00 Cr. Welspun Michigan Engineers Limited (Erstwhile Welspun Michigan Engineers Private Limited) 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 The rating has been withdrawn on account of the request received from the company.

The rating has been withdrawn as per Acuite's policy of withdrawal of ratings as applicable to the respective instrument/facility. This rating is now flagged as issuer not cooperating on account of information risk and is based on best available information. The rating has been downgraded on account of information risk.

About the Company

Welspun Michigan Engineers Limited (Erstwhile Welspun Michigan Engineers Private Limited) is a Mumbai based company, established in 1973 by Mr. Saurin Patel. The company is a leading civil engineering company and specialises in trenchless technology. WMEL also undertakes underground civil work related to pipeline rehabilitation, pipe-jacking, pipe-ramming, micro tunnelling, segment lining, water drainage, sewage projects and others. The operations are led by Mr. Saurin Patel who has more than 25 years of experience in the field of Civil Engineering and executing Projects in India with extensive experience in tunnelling and pipeline rehabilitation projects. The extensive track record of the company has helped them establish long term relations of over four decades with reputed customers including Municipal Corporation of Greater Mumbai (MCGM), Larsen & Turbo, Mumbai Metropolitan Region Development Authority (MMRDA) and Delhi Jal Board among others. In 2023, 50.10% per cent of the shareholding was acquired by Welspun Enterprises Limited (WEL), making WMEL a subsidiary and subsequently in February 2024, its name was changed to Welspun Michigan Engineers Limited. As on March 31,2025 ,60.09 percent shareholding is with WEL.

About the Group
The company is a subsidiary of Welspun Enterprises Limited, flagship company of the Welspun Group. 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
Not applicable

Non-cooperation by the issuer/borrower
Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & reviewof the rating. However, the issuer/borrower failed to submit such information before the due date. Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Limitation regarding information availability

This rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower) . Acuite endeavoured to gather information about the entity/industry from the public domain. Any rating with the suffix 'Issuer not cooperating' is assigned without any management interaction with the issuer entity or any data / information from the entity. Sometimes this non co-operation by a rated entity may be due to a result of deterioration in the credit risk profile of the entity. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivities
" No information provided by the issuer / available for Acuite to comment upon."

Liquidity Position
" No information provided by the issuer / available for Acuite to comment upon."

Outlook-Not applicable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	672.39	408.99
PAT	Rs. Cr.	67.61	18.02
PAT Margin	(%)	10.06	4.41
Total Debt/Tangible Net Worth	Times	0.17	0.16
PBDIT/Interest	Times	17.89	8.35

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

Applicable Criteria

• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Group And Parent Support: https://www.acuite.in/view-rating-criteria-47.htm
• Infrastructure Sector: https://www.acuite.in/view-rating-criteria-51.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. 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
26 Jul 2024	Cash Credit	Long Term	40.00	ACUITE A- | Positive (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	23.00	ACUITE A- | Positive (Reaffirmed)
	Proposed Cash Credit	Long Term	12.00	ACUITE A- | Positive (Assigned)
	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	43.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	32.00	ACUITE A2+ (Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A2+ (Assigned)
	Proposed Bank Guarantee	Short Term	55.00	ACUITE A2+ (Assigned)
26 Apr 2024	Cash Credit	Long Term	40.00	ACUITE A- | Positive (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE A- | Positive (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE A- | Positive (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A2+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A2+ (Reaffirmed)
01 Sep 2023	Cash Credit	Long Term	40.00	ACUITE A- | Stable (Upgraded from ACUITE BBB | Stable)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE A- | Stable (Upgraded from ACUITE BBB | Stable)
	Cash Credit	Long Term	20.00	ACUITE A- | Stable (Upgraded from ACUITE BBB | Stable)
	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A2+ (Upgraded from ACUITE A3+)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A2+ (Upgraded from ACUITE A3+)
10 Jul 2023	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BBB | Stable (Reaffirmed)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE BBB | Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB | Stable (Reaffirmed)
05 Apr 2023	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A3+ (Reaffirmed)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A3+ (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BBB | Stable (Reaffirmed)
	Working Capital Demand	Long		

	Loan (WCDL)	Term	6.00	ACUITE BBB | Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB | Stable (Reaffirmed)
18 Feb 2022	Bank Guarantee/Letter of Guarantee	Short Term	70.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Bank Guarantee/Letter of Guarantee	Short Term	40.00	ACUITE A3+ (Upgraded from ACUITE A3)
	Cash Credit	Long Term	40.00	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Working Capital Demand Loan (WCDL)	Long Term	6.00	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)
	Cash Credit	Long Term	20.00	ACUITE BBB | Stable (Upgraded from ACUITE BBB- | Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	70.00	Simple	ACUITE A4+ | Downgraded & Withdrawn | Issuer not co-operating* (from ACUITE A2+)
Yes Bank Ltd	Not avl. / Not appl.	Bank Guarantee/Letter of Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	75.00	Simple	ACUITE A4+ | Downgraded & Withdrawn | Issuer not co-operating* (from ACUITE A2+)
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BB+ | Downgraded & Withdrawn | Issuer not co-operating* (from ACUITE A-)
Yes Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A4+ | Downgraded & Withdrawn | Issuer not co-operating* (from ACUITE A2+)
Not Applicable	Not avl. / Not appl.	Proposed Bank Guarantee	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	55.00	Simple	Not Applicable | Withdrawn
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	Not Applicable | Withdrawn
Yes Bank Ltd	Not avl. / Not appl.	Working Capital Demand Loan (WCDL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	23.00	Simple	ACUITE BB+ | Downgraded & Withdrawn | Issuer not co-operating* (from ACUITE A-)

** The issuer did not co-operate; based on best available information.*

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

Sr No	Name of the entity
1	Welspun Enterprises Limited
2	Welspun Michigan Engineers Limited (Erstwhile Welspun Michigan Engineers Private Limited)

Disclosure of list of non-cooperative issuers

- Listed :- https://www.acuite.in/Non-Cooperative_Issuer_Listed.php
- Unlisted :- https://www.acuite.in/Non-Cooperative_Issuer_Unlisted.php

Contacts

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About Acuité Ratings & Research

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