



Press Release
STORK RUBBER PRODUCTS PRIVATE LIMITED
June 26, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	15.75	ACUITE BBB- Stable Reaffirmed	-
Bank Loan Ratings	14.45	-	ACUITE A3 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	30.20	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of ‘ACUITE BBB-’ (read as ACUITE triple B minus) and short-term rating of ‘ACUITE A3’ (read as ACUITE A three) to the Rs. 30.20 crore bank facilities of Stork Rubber Products Private Limited (SRPPL). The outlook is ‘Stable’.

Rationale for rating

The reaffirmation in rating takes into account the established track record of operations and experienced management of over two decade in the industry. Further, the rating takes into consideration the stable scale of operations, marked by an operating income estimated at Rs.97.35 Cr. in FY2025 against Rs.88.39 Cr. in FY2024. Further, the EBITDA margin and PAT margin of the group stood at 8.64 per cent and 0.98 per cent respectively in FY2024. Additionally, the financial risk profile of the group remained moderate marked by gearing which stood at 1.19 times as on March 31, 2024 and coverage indicators reflected by interest coverage ratio and debt service coverage ratio which stood at 3.04 times and 1.35 times respectively as on 31st March 2024. The liquidity position of the group is also adequate marked by sufficient net cash accruals against its debt repayment obligations. However, the above mentioned strengths are partly off-set by intensive working capital nature of operations marked by marked by GCA days of 204 days as on 31st March 2024 and susceptibility of profitability margins to volatility in raw material prices.

About the Company

Delhi-based Stork Rubber Products Private Limited was incorporated in 1994. The company is engaged in the manufacturing of rubber components, metal-bonded components, control cables, etc., for automobile manufacturers. The company has facilities located in Gurugram, Chennai and Sitarganj. Company’s directors are Mr.Mandeep Rangar and Mr. Jagdeep Singh Rangar.

About the Group

Stork Group includes Stork Rubber Products Private Limited (SRPPL) and Stork Auto Engineering Private Limited (SAPL). Stork Auto Engineering Private limited is subsidiary of Stork Rubber Products Private Limited and it holds 60% of shareholding of the Stork Auto Engineering Private limited. The company is engaged in manufacturing of cables used in Automobile. It was incorporated in 2000 and is based in Delhi. The Directors are Mr. Mandeep Rangar and Mr. Jagdeep Singh Rangar.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuité has consolidated the business and financial risk profiles of Stork Rubber Products Private Limited (SRPPL) and Stork Auto Engineering Private Limited (SAPL) together referred to as Stork Group to arrive at this rating. The consolidation is in view of similarity in the line of business, common management, and operational synergies between the entities.

Key Rating Drivers

Strengths

Established track record of operations and Experienced Management

SRPPL was incorporated in 1994 and is engaged in the manufacturing of rubber components, metal-bonded components, control cables, etc., for automobile manufacturers.. The directors of the group are Mr. Jagdeep Singh Rangar, Mrs. Mandeep Rangar who have amassed about three decades of experience in the aforementioned line of business. The established track record of operations and experience of management has helped the group to develop healthy relationships with customers and suppliers. The group also caters to reputed clientele like Federal Mogul Corporation, Partquip Group and Aluma Form, Inc among others. Acuité believes that the group will continue to benefit through the experienced management and established track record of operations.

Augmentation in Business Risk Profile

Stork Group achieved operating income of Rs.88.39 Crore in FY2024 as against Rs.82.01 Crore in FY2023. Further, the topline of the group in FY2025 is estimated at Rs.97.35 Crore on account of increase in the orders executed by the group and increase in average price realization of automobile spare parts. The EBITDA Margin of the group stood at 8.64% in FY2024 against 7.27% in FY2023 on account of better absorption of operating expenses. Likewise, the PAT Margin improved and stood at 0.98% in FY2024 against 0.19% in FY2023. Revenue of the group is further supported by its order book for export orders which stood at Rs.46.55 Cr. as on May, 2025. Additionally, the group receives fresh and running domestic orders on monthly basis. Acuite expects that going forward, the business risk profile of the group will remain stable to support stable revenue and profitability margins in near to medium term.

Moderate Financial Risk Profile

The financial risk profile of the group is marked by average net worth, moderate gearing and comfortable debt protection metrics. The tangible net-worth stood at Rs.28.51 Crore as on 31st March 2024 as against Rs.27.65 Crore as on 31st March 2023. The increase in the net-worth is on an account of accretion of profits into reserves. The total debt stood at Rs.34.01 Crore in FY2024 as against Rs.30.68 Cr. in FY2023. The capital structure of the group is moderate marked by gearing ratio which stood at 1.19 times as on 31st March 2024 against 1.11 times as on 31st March 2023. Further, the coverage indicators of the group are reflected by interest coverage ratio and debt service coverage ratio which stood at 3.04 times and 1.35 times respectively as on 31st March 2024 against 2.90 times and 1.10 times as on 31st March 2023. The TOL/TNW ratio of the group stood at 1.93 times as on 31st March 2024 against 1.70 times as on 31st March 2023 and DEBT-EBITDA of the group stood at 4.29 times as on 31st March 2024 against 4.99 times as on 31st March 2023. Acuité expects that going forward the financial risk profile of the group is expected to remain in similar range in near to medium term.

Weaknesses

Intensive Working Capital Operations

The working capital operations of the group are intensive marked by GCA days which stood at 204 days as on 31st March, 2024 as against 179 days as on 31st March, 2023. The inventory days of the group stood at 52 days as on 31st March, 2024 against 36 days as on 31st March, 2023. Further, the debtor days stood at 126 days as on 31st March, 2024 against 108 days as on 31st March, 2023 and the creditor days stood at 124 days as on 31st March, 2024 against 105 days as on 31st March, 2023. The average fund based bank limit utilization stood at 78.28% in last six months ending May, 2025. Acuite believes that the working capital operations of the group will remain intensive in medium to near term due to nature of operations.

Susceptibility of profitability margins to volatility in raw material prices

The profitability margins remain exposed to any adverse movement in the prices of key raw materials viz. rubber and metals such as aluminium and steel, as the group has limited pricing flexibility owing to intense competition in the industry, any adverse movement in raw material costs could directly affect the margins.

Rating Sensitivities

- Sustenance of the profitability margins while scaling up of operations.

- Working Capital Operations

Liquidity Position

Adequate

The group has adequate liquidity marked by net cash accruals of Rs.4.99 crore in FY2024 as against Rs.3.03 crore of repayment obligations for the same period. Going forward, the group is expected to generate cash accruals under the range of Rs.5.50 Cr. to Rs.7.00 Cr. against maturing debt obligation of Rs.3.90 crore during next two years. The average utilization of working capital limits stood at an average of 78.28% in the last six months ending May, 2025. The current ratio stood at 1.06 times in FY2024 as against 1.05 times in FY2023. Moreover, the group has cash and bank balances of Rs.0.19 crore as on 31st March 2024. Acuite believes that the liquidity of the group would be adequate marked by sufficient accruals to repayment, moderate bank limit utilisation, absence of debt funded capex plan albeit intensive working capital requirements and low current ratio over the medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	88.39	82.01
PAT	Rs. Cr.	0.86	0.15
PAT Margin	(%)	0.98	0.19
Total Debt/Tangible Net Worth	Times	1.19	1.11
PBDIT/Interest	Times	3.04	2.90

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

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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
01 Apr 2024	PC/PCFC	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Bills Discounting	Short Term	8.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.95	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	0.20	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	0.30	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.55	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.17	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.30	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.34	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.70	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.70	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.74	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.50	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.90	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.60	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.94	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.31	ACUITE BBB- Stable (Reaffirmed)
02 Jan 2023	PC/PCFC	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Bills Discounting	Short Term	8.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	5.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	1.00	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.95	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	0.20	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	0.30	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.34	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.30	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.95	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.97	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	0.19	ACUITE BBB- Stable (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Punjab and Sind Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.95	Simple	ACUITE A3 Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.00	Simple	ACUITE A3 Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB- Stable Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.20	Simple	ACUITE A3 Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.30	Simple	ACUITE A3 Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE A3 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.07	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	30 Mar 2021	Not avl. / Not appl.	28 Feb 2027	0.34	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	19 Aug 2022	Not avl. / Not appl.	19 Aug 2027	0.76	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	14 Jan 2022	Not avl. / Not appl.	14 Jan 2026	0.12	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	14 Jan 2022	Not avl. / Not appl.	14 Jan 2027	0.21	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	01 Sep 2023	Not avl. / Not appl.	31 Aug 2028	2.65	Simple	ACUITE BBB- Stable Reaffirmed
Small Industries Development Bank of India	Not avl. / Not appl.	Term Loan	26 Sep 2023	Not avl. / Not appl.	31 Aug 2028	1.87	Simple	ACUITE BBB- Stable Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Term Loan	23 Apr 2024	Not avl. / Not appl.	30 Apr 2027	0.06	Simple	ACUITE BBB- Stable Reaffirmed
Punjab and Sind Bank	Not avl. / Not appl.	Term Loan	05 Aug 2021	Not avl. / Not appl.	30 Jun 2026	0.52	Simple	ACUITE BBB- Stable Reaffirmed
	Not avl. / Not		31 Mar	Not avl. / Not	31 Mar			ACUITE BBB-

Punjab and Sind Bank	appl.	Term Loan	2022	appl.	2027	1.09	Simple	Stable Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	31 Jan 2023	Not avl. / Not appl.	10 Apr 2034	1.86	Simple	ACUTE BBB- Stable Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	31 Jan 2023	Not avl. / Not appl.	10 Jan 2034	1.20	Simple	ACUTE BBB- Stable Reaffirmed

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

Sr. No.	Company name
1	Stork Rubber Products Private Limited
2	Stork Auto Engineering Private Limited

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About Acuité Ratings & Research

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