

Grauer And Weil (India) Limited

March 30, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	140.00 (Enhanced from 85.00)	CARE AA-; Stable	Reaffirmed and removed from Rating Watch with Developing Implications; Stable outlook assigned
Short-term bank facilities	45.00 (Reduced from 60.00)	CARE A1+	Reaffirmed and removed from Rating Watch with Developing Implications

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has removed 'Rating Watch with Developing Implications (RWD)' and reaffirmed ratings of Grauer and Weil (India) Limited (GWIL) while assigning 'Stable' outlook. Ratings were earlier placed on 'RWD' following the company's stock exchange filing dated March 21, 2025, wherein Hon'ble Bombay High Court had upheld Maharashtra Pollution Control Board (MPCB) direction of closure of company's mall in Kandivali, Mumbai. Following the ruling, the company had stopped its mall operations from March 21, 2025. Subsequently, GWIL filed a petition before the Hon'ble Supreme Court of India challenging the High Court's order, and the matter remains sub judice.

Removal of Rating Watch factors in absence of any material financial implications on the company owing to closure of the mall operations and expectations of no material financial impact going forward. Post closure of mall operations in March 2025, the company has not faced any material claims from tenants towards damages and is unlikely to face any material claims going forward, as confirmed by the company's management. The company has not incurred any material segment losses owing to the closure. The company's liquidity position remains strong to absorb potential impact, if any, thereby providing further comfort. Ratings further factor in company's satisfactory operating performance in 9MFY26 and supported by healthy operating performance in the surface finishing segment, which is a major operating segment of the company. Operating performance is expected to remain satisfactory with growth in scale of operations and steady profitability margin over the medium term supported by its established position in the surface finishing segment.

Ratings continue to derive strength from long-standing experience of its promoters, GWIL's dominant position in the domestic electroplating chemicals industry, where it has ~35% market share, moderately diversified revenue profile and satisfactory operating performance. Ratings further derive strength from strong financial risk profile marked by healthy capital structure, strong debt protection metrics, and strong liquidity position.

However, these strengths are partially offset by susceptibility of profitability to volatile raw material prices, sizeable dependence on the automobile industry, and legal overhang pertaining to regulatory proceedings of mall operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustained improvement in profit before interest, lease rentals, depreciation and taxation (PBILDT) margin in the range of 18-20%.
- Further diversification of its revenue profile (both in terms of product and geography) with key product segment contributing not more than 30%-45% to its total operating income (TOI).

Negative factors

- PBILDT margin declining below 15% on a sustained basis.
- Any debt-funded capex/acquisition resulting in total debt/PBILDT above 2x on a sustained basis.
- Substantial reduction in liquidity position (un-encumbered cash and investment in FD) below ₹100 crore.

Analytical approach: Consolidated

CARE Ratings Limited (CareEdge Ratings) has considered a consolidated approach for arriving at ratings, as the company's subsidiaries operate in similar line of business. Entities consolidated have been listed under Annexure-6.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Outlook: Stable

CareEdge Ratings believes GWIL shall continue to benefit from its leadership position in the domestic electroplating chemical industry, while maintaining its strong financial risk profile.

Detailed description of key rating drivers:**Key strengths****Well-established position in the domestic electroplating chemical industry**

GWIL has an established track record of over six-and-a-half decades in manufacturing electroplating chemicals business. Over the years, it has maintained a leadership position in the domestic electroplating chemicals market, with an estimated market share of ~35% in this segment. The company is present in over 50+ countries and has long-standing relationships with its customers. GWIL is promoted by the More family. Umeshkumar More, Chairman, has been associated with the company since July 1969 and has over five decades of industry experience, guiding the company's growth and strategic direction. He is supported by Nirajkumar More, Managing Director, who holds a Bachelor of Business Administration degree from the UK. The promoters are supported by a team of qualified and experienced professionals.

Moderately diversified revenue profile

GWIL's revenue profile remains moderately diversified considering multiple business divisions, including surface finishing, engineering and shoppertainment segment. Surface finishing segment contributed ~87% to the total revenue in FY25 while engineering division and shoppertainment segment contributed ~10% and 3%, respectively. Within the surface finishing segment, the company manufacture electroplating chemicals, paints and oil and lubricants. Electroplating chemicals, contributing ~50% to total revenue in FY25, caters to sectors such as automobiles, home fittings, consumer durables, gems and jewellery, and industrial applications. Paints, contributing ~35% to the total revenue, manufactures specialised coatings catering to industrial, pipeline, marine, aerospace, and defence applications. Oil and Lubricants, contributing, ~2% to total revenue includes lubricants for wire and cables, tubes and pipes, and auto-components. In the engineering segment, the company is engaged in the manufacture and execution of turnkey solutions for electroplating plants, effluent treatment plants, and other engineering products and providing integrated solutions to its clientele. In the shoppertainment segment, the company operates a shopping mall in Kandivali, Mumbai suburbs, with a total built-up area of ~475,000 sq ft and a leasable area of 243,462 sq ft as on December 31, 2025. However, the same is not operational currently. The company's presence across diverse business segments provides a moderately diversified revenue profile, thereby mitigating dependence on any single segment to an extent and providing resilience in industry downturns.

Operating performance to remain satisfactory in FY26

GWIL's operating performance has been supported by steady growth in the surface finishing segment on the back of its established market position. TOI grew by 6% year-on-year (yoy) to ₹1,134 crore in FY25 supported by healthy growth of 13% year-on-year in the surface finishing segment, which contributed 87% to total revenue in FY25. This healthy growth in the surface finishing segment partially offset 28% yoy decline in revenue from the engineering segment, accounting for 10% of total revenue in FY25, and a 6% decline in revenue from the mall, the operations of which were closed in March 2025. PBILDT margin declined to 16.74% in FY25 (FY24: 18.00%) owing to moderation in profitability margin in the engineering and mall segment while profitability margin in surface finishing segment improved.

In 9MFY26, revenue grew by 5% yoy led by steady growth in the surface finishing segment (+10% yoy) offsetting the decline in revenue in the engineering segment and mall revenue owing to its non-operations. However, PBILDT margin declined to 16.12% (9MFY25: 20.02%) owing to losses in mall operations vis-à-vis the profitability in the previous year. Profitability margin in the engineering segment stood steady while it marginally declined in surface finishing segment. While the scale of operations in FY26 is expected to remain better than FY25 supported by continued healthy growth in surface finishing segment, overall profitability margin is likely to remain marginally lower on account of the losses in the mall segment vis-à-vis profit in the previous year.

Strong financial risk profile

Over the years, GWIL has funded its capex and working capital requirements through internal accruals. Consequently, the company's capital structure remains robust. Overall gearing stood at 0.01x as on March 31, 2025. The company had a total debt of ₹11.82 crore majorly comprising of unsecured loans from promoters and lease liabilities. The company has undertaken capex towards setting up a research and development (R&D) centre at Vasai at a cost of ₹55 crore in FY26. Capex has been majorly incurred in FY26, while part will be incurred in FY27. Going forward, the company plans to incur capex of ₹62 crore towards expansion of electroplating chemicals capacity by 9,028 metric tonnes (MT) at Samba in Jammu. The capex will be funded through term debt of ₹30 crore and balance through internal accruals. Term loan is expected to be drawn largely in FY27, while the capex is expected to be completed by Q1FY27. The financial risk profile is expected to remain strong over the medium term.

Liquidity: Strong

GWIL's liquidity continues to remain strong, marked by nil term debt repayment obligations in FY26 and FY27, strong cash and liquid investments of ₹538 crore as on March 31, 2025, and minimal utilisation of its fund-based limits. The company is likely to avail term loan in FY27 towards expansion of electroplating chemicals capacity, which has a moratorium of two years from disbursement. The company largely utilises its non-fund-based limits, utilisation of which stood at 71% in the last 12 months ended January 31, 2026. The company's liquidity is further underpinned by its healthy current ratio of 3.11x as on March 31, 2025. With an overall gearing of 0.01x as on March 31, 2025, the company has sufficient headroom to raise need-based debt for its capex.

Key weaknesses

Profitability susceptible to volatility in raw material prices and forex risk

In the chemicals segment, GWIL is exposed to volatility in raw material prices, including metals used in powder form for plating and coating applications and crude oil derivatives used in industrial paints. While the company has been able to pass on raw material price increases in the electroplating segment, supported by its established market position, the industrial paints segment remains susceptible to margin pressures considering input price volatility and relatively lower pricing power.

GWIL's operations involve import of raw materials and export of finished goods, primarily in Japanese Yen, USD, and Euro. In FY25, imports and exports stood at ₹85.17 crore and ₹70.35 crore, respectively. While the company hedges most of its import exposure, export receivables are largely left unhedged, exposing it to foreign exchange fluctuation risk.

Sizeable dependence on the automobile industry

Automobile industry continues to be the company's key end-user segment, contributing ~30%-40% of its total operating income (TOI), thereby resulting in sizeable reliance on a single industry. Downturn in the automobile industry can have an impact on operating performance of the company.

Legal overhang pertaining to regulatory proceedings of mall operations

GWIL is currently exposed to legal uncertainty arising from regulatory proceedings related to its mall business. Growel's 101 Mall in Kandivali, Mumbai, has remained non-operational for a year following regulatory action on environmental clearances. Earlier, the Bombay High Court upheld a closure order issued by the Maharashtra Pollution Control Board (MPCB), citing the absence of mandatory environmental clearance. The company has challenged the order before the Supreme Court of India, and the matter remains sub judice. The company is also pursuing required environmental clearances. Any adverse outcome having material impact on financial profile or liquidity shall remain key rating monitorable.

Environment, social, and governance (ESG) risks

Risk Factors	Compliance and action by the company
Environmental	<ul style="list-style-type: none"> The company has implemented a comprehensive environmental management system and uses low carbon technologies and practices. To monitor the air pollution, the company has installed emission monitoring systems to accurately measure, and track pollutants emitted from its operations. GWIL's mall operations has remained closed on the alleged non-compliance w.r.t environment clearance. The matter remains sub-judice currently.
Social	<ul style="list-style-type: none"> In FY25, GWIL incurred ₹3.11 crore expense on CSR activities which is aligned with required CSR expenditure per Companies' Act. In FY25, there were no complaints relating to child labour, forced labour, involuntary labour, sexual harassment of women at workplace.
Governance	<ul style="list-style-type: none"> Out of total strength of eight directors on its board, four are independent directors. Policy on related party transactions, after carrying out the necessary modifications in line with the amendments in Companies' Act from time to time, is placed on the website of the company. In FY25, there were no whistle blower complaints received from the employees and directors by the company and company received three complaints from shareholders and no complaint pending to be resolved at the end of FY25.

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Chemicals	Chemicals & petrochemicals	Commodity chemicals

GWIL was initially set up as a partnership concern in May 1940 by British nationals Grauer and Weil. It has a well-established track record, operating for over six decades in the electroplating business. In 1969, the More family, promoters of the Growel group, took over the company along with the Goenka family. Later, in 1991, the More and Goenka families had a split, and GWIL was retained by the More family.

GWIL operates in three broad business segments – surface finishing, engineering, and shopping mall. The surface finishing segment comprises chemicals division, paints division, and oil division. Under the chemical division, it manufactures and sells chemicals required for metal finishing (electroplating chemicals), their intermediates, and other specialty chemicals. Under the paints division, it manufactures mainly industrial paints and under the oil division, it manufactures oils and lubricants. The engineering segment is involved in manufacturing and providing turnkey solutions for electroplating plants, effluent treatment plants, and other engineering products. GWIL also owns a shopping-cum-entertainment mall at Kandivali East (Growels 101), in Mumbai. However, the mall is non-operational currently owing to alleged environmental non-compliance.

Brief financials (₹ crore) – Consolidated	FY24 (A)	FY25 (A)	9MFY26 (UA)
Total operating income	1070.41	1134.35	835.07
PBILDT	192.63	189.91	134.58
PAT	146.28	157.20	114.51
Overall gearing (times)	0.03	0.01	NA
Interest coverage (times)	40.39	52.81	96.13

A: Audited UA: Unaudited; NA: Not available

Note: these are latest available financial results

Financials are reclassified per CareEdge Ratings' standards.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	140.00	CARE AA-; Stable
Non-fund-based - ST-BG/LC		-	-	-	45.00	CARE A1+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Cash Credit	LT	140.00	CARE AA-; Stable	-	1)CARE AA- (RWD) (31-Mar-25) 2)CARE AA-; Stable (05-Dec-24)	1)CARE AA-; Stable (21-Dec-23)	1)CARE AA-; Stable (31-Oct-22)
2	Non-fund-based - ST-BG/LC	ST	45.00	CARE A1+	-	1)CARE A1+ (RWD) (31-Mar-25) 2)CARE A1+ (05-Dec-24)	1)CARE A1+ (21-Dec-23)	1)CARE A1+ (31-Oct-22)
3	Fixed Deposit	LT	-	-	-	-	1)Withdrawn (21-Dec-23)	1)CARE AA-; Stable (31-Oct-22)

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender detailsTo view lender-wise details of bank facilities please [click here](#)**Annexure-6: List of entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Grauer & Weil (Shanghai) Limited	Full	Wholly owned subsidiary
2	Growel Chemicals Co. Limited	Full	Wholly owned subsidiary
3	Kamtress Automation Systems Pvt Ltd.	Full	Wholly owned subsidiary
4	Grauer and Weil Middle East FZE	Full	Wholly owned subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754-3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754-3404 E-mail: saikat.roy@careedge.in</p>	<p>Analytical Contacts</p> <p>Ranjan Sharma Senior Director CARE Ratings Limited Phone: +91-22-6754-3453 E-mail: ranjan.sharma@careedge.in</p> <p>Hardik Manharbhai Shah Director CARE Ratings Limited Phone: +91-22-6754-3591 E-mail: hardik.shah@careedge.in</p> <p>Rabin Bihani Associate Director CARE Ratings Limited Phone: +91-22-6754-3592 E-mail: rabin.bihani@careedge.in</p>
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