

Barani Hydraulics India Private Limited

April 06, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|----------------------------|--------------------------------|---------------------|-----------------------|
| Long Term Bank Facilities | 37.24 (Enhanced from 33.74) | CARE BB+; Stable | Reaffirmed |
| Short Term Bank Facilities | 14.00 (Reduced from 17.50) | CARE A4+ | Upgraded from CARE A4 |

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The revision in short-term ratings assigned to the bank facilities of Barani Hydraulics India Private Limited (BHIPL) factor in the consistent improvement in operating cycle over the past with efficient collection and inventory holding levels. The ratings continue to be constrained by the moderate scale of operations albeit grown in FY25, leveraged capital structure and moderate debt protection metrics, and cyclical nature of auto industry

The ratings, however, continue to draw strength from the experienced promoters and their long track record in the related business, reputed clientele base and adequate infrastructure.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Consistent growth in sales above ₹150 crores with improvement in PBILDT margin above 9% on a sustained basis
- Consistent improvement in TOL/TNW below 2x

Negative factors

- Deterioration in overall gearing beyond 3x
- Deterioration in liquidity position or elongation in operating cycle

Analytical approach: Standalone

Outlook: Stable

CARE believes that BHIPL will continue to benefit from the extensive experience of promoters and its established clientele to maintain its business profile in the medium term.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations with profitability susceptible to volatility in Raw material prices

The scale of operations of BHIPL has remained moderate, despite the company has shown consistent growth in last 3 years and registered total Operating income (TOI) of ₹ 159.82 crore in FY25 (refers to period from April 01 to March 31), a year-on-year increase of ~30% from ₹ 122.32 crore in FY24. During 11mFY26 (refers to period from April 01 to February 28), the company has reported ₹135.00 crore of revenue. The PBILDT margin of the company has declined from 8.91% in FY24 to 7.78% in FY25 due to increased raw material costs. A major portion of BHIPL's raw materials is iron, steel, switch cases and different grade metals whose prices are inherently volatile and driven largely by global as well as local demand and supply conditions.

Leveraged capital structure and moderate debt coverage metrics

BHIPL belongs to capital intensive manufacturing industry. The capital structure of the company has shown nominal improvement with overall gearing at 1.20x on March 31, 2025 (PY: 1.32x) aided by accretions in net worth, however continued to remain leveraged. The debt coverage indicators stood moderate with Total debt/GCA of 6.21x as on March 31, 2025 (PY: 6.93x). During FY25- 26 BHIPL has enhanced working capital limits by Rs. 9.00 crore and also availed fresh Term Loan of Rs. 6.30 crore for purchase of machinery which would also have an impact on gearing and debt coverage metrics.

Cyclical nature of Auto Industry

The Indian auto component industry is ancillary to the automobile industry. Demand swings in any of the auto segments (Commercial vehicles, cars, tractors, two and three-wheelers) have an impact on the auto ancillary demand. Prospects of BHIPL

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

are majorly linked to the automobile industry's performance. The company has been diversifying its revenue to other sectors like general engineering, ceramics and refractories, aerospace which shall provide cushion in times of slowdown in any particular sector.

Key strengths

Vast experience of the promoter and long track record of operations

BHIPL was incorporated in September 2004 by Mr. T.K. Karuppanaswamy (Managing Director). The promoter and directors of the company constitute qualified engineers who have more than three decades of experience in machine manufacturing business. BHIPL has well-established manufacturing facilities, which is located at Kalappatti, Coimbatore, Tamil Nadu. The company is highly self-sufficient in its operations leveraging in-house facilities for 95% of its processes. BHIPL has an in-house innovation team in place to manufacture wide range of custom build products for different applications. The manufacturing facilities comprises of fabrication, machine shop, sub assembly and assembly segments and people capability with dedicated and trained core members team. BHIPL enjoys good market exposure for manufacturing of various machines.

Well Established and reputed clientele profile

The company has diversified and reputed customer base in the automotive, general engineering, ceramic and refractories, performance plastic segment among others. Over the past three decades, BHIPL has established healthy relationships with its customer base which includes reputed companies such as Wheels India Limited, Axles India Limited, and international clients such as GE oil and Gas India Pvt Ltd and various other players. The top 10 customers contribute to 88% (PY: 93%) of income in FY25.

Liquidity: Stretched

The liquidity of the company stood stretched, characterized by tightly matched accruals vis-à-vis repayment obligations and high working capital utilization. The operations of BHIPL are working capital intensive in nature due to its nature of business and its requirement to maintain higher inventory. The average utilization of working capital limits for the past twelve months period ended February 2026 stood high at 90.58%. The company had free cash and bank balance of ₹2.28 crore as on March 31, 2025. The current ratio of the company stood moderate at 1.09x as on March 31, 2025. Debtors ageing more than 180 days stood at 6.15% of the total debtors.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[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 |
|-------------------------|---------------|---------------------|---------------------------|
| Industrials | Capital Goods | Industrial Products | Other Industrial Products |

Coimbatore-based Barani Hydraulics India Private Limited (BHIPL) was incorporated on September 21, 2004 under the leadership of Mr. T.K. Karuppanaswamy, who has more than three decades of industry experience. Prior to the incorporation of this company, the promoter was operating the business as a proprietorship concern since 1988. BHIPL is engaged in business of manufacturing of custom build products such as hydraulic presses catering to industries such as automotive, general engineering, ceramic and refractories, performance plastic among others.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | 11MFY26(UA) |
|----------------------------|--------------------|--------------------|-------------|
| Total operating income | 122.32 | 159.82 | 135.00 |
| PBILDT* | 10.91 | 12.45 | NA |
| Profit after tax (PAT) | 3.48 | 3.94 | NA |

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | 11MFY26(UA) |
|----------------------------|--------------------|--------------------|-------------|
| Overall gearing (x) | 1.32 | 1.20 | NA |
| Interest coverage (x) | 2.71 | 2.92 | NA |

A: Audited UA: Unaudited; NA: Not Available; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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 (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|--|------|-------------------------------|-----------------|----------------------------|-----------------------------|------------------------------------|
| Fund-based - LT-Cash Credit | | - | - | - | 28.77 | CARE BB+; Stable |
| Fund-based - LT-Term Loan | | - | - | October 2028 | 8.47 | CARE BB+; Stable |
| Fund-based - ST-Packing Credit in Indian rupee | | - | - | - | 10.00 | CARE A4+ |
| Non-fund-based - ST-Bank Guarantee | | - | - | - | 4.00 | CARE A4+ |

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-Term Loan | LT | 8.47 | CARE BB+; Stable | - | 1)CARE BB+; Stable (07-Mar-25) | 1)CARE BB+; Stable (21-Feb-24) | 1)CARE BB+; Stable (08-Mar-23) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (04-Apr-22) |
| 2 | Fund-based - ST-Packing Credit in Indian rupee | ST | 10.00 | CARE A4+ | - | 1)CARE A4 (07-Mar-25) | 1)CARE A4 (21-Feb-24) | 1)CARE A4 (08-Mar-23) 2)CARE A4; ISSUER NOT COOPERATING* (04-Apr-22) |
| 3 | Non-fund-based - ST-Bank Guarantee | ST | 4.00 | CARE A4+ | - | 1)CARE A4 (07-Mar-25) | 1)CARE A4 (21-Feb-24) | 1)CARE A4 (08-Mar-23) 2)CARE A4; ISSUER NOT COOPERATING* (04-Apr-22) |
| 4 | Fund-based - LT-Cash Credit | LT | 28.77 | CARE BB+; Stable | - | 1)CARE BB+; Stable (07-Mar-25) | 1)CARE BB+; Stable (21-Feb-24) | 1)CARE BB+; Stable (08-Mar-23) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (04-Apr-22) |

*Issuer did not cooperate; based on best available information.

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 | Fund-based - LT-Term Loan | Simple |
| 3 | Fund-based - ST-Packing Credit in Indian rupee | Simple |
| 4 | Non-fund-based - ST-Bank Guarantee | Simple |

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

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

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