Flash Electronics (india) Private Limited

April 08, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	308.59 (Enhanced from 251.99)	CARE AA-; Stable	Upgraded from CARE A+; Stable
Long-term / Short-term bank facilities	10.00 (Reduced from 25.00)	CARE AA-; Stable / CARE A1+	Upgraded from CARE A+; Stable / CARE A1
Short-term bank facilities	15.00	CARE A1+	Upgraded from CARE A1

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The upgrade in ratings assigned to bank facilities of Flash Electronics (india) Private Limited (FEIPL) reflects FEIPL's sustained improvement in its business and financial risk profile, characterised by strong growth in scale of operations, healthy and improving profitability, and strengthening capital structure and debt coverage indicators. CARE Ratings Limited (CareEdge Ratings) expects the company to sustain its growth and margin expansion with focus on electric vehicle (EV) segment and expansion of product basket. FEIPL's strategic partnership with Minda Corporation Limited (MCL) is expected to support business growth through product and customer synergies in the medium term. The company demonstrated a consistent growth trajectory, supported by rising contribution from the EV segment, increased share of business from key customers, new product introductions, and increasing export revenues, while maintaining healthy profitability.

Ratings continue to derive strength from its experienced promoters, established relationship with original equipment manufacturers (OEMs) and comfortable capital structure and debt coverage indicators. Further comfort is derived from robust cash accruals, reduction in leverage aided by conversion of high-cost compulsorily convertible debentures (CCDs) into equity, and absence of major debt-funded capex, supporting financial flexibility.

However, ratings continue to factor in customer concentration risk, exposure to raw material price volatility, and inherent cyclicality of the automotive industry.

CareEdge Ratings has withdrawn ratings assigned to some of bank facilities of FEIPL at the request of the company and No Dues Certificate received from lenders.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant growth in the scale of operations and improvement in its profit before interest, lease rentals, depreciation, and tax (PBILDT) margin around 18% on a sustained basis.
- Significant improvement in capital structure and built-up of liquidity in the system.

Negative factors

- Significant decline in the scale of operations, and PBILDT margin below 10% on a sustained basis.
- Deterioration in net debt/PBILDT above 1.50x on a sustained basis.

Analytical approach: Consolidated; factoring management and operational linkages with MCL

CareEdge Ratings has considered consolidated financials of FEIPL. The consolidated approach factors in significant management, operational and financial linkages between FEIPL and its subsidiaries and step-down subsidiaries. Subsidiaries consolidated are listed under Annexure-6.

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation that FEIPL is likely to maintain its financial risk profile in the medium term, benefiting from its diversified product portfolio and established relationship with OEMs.

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

Detailed description of key rating drivers:

Key strengths

Sustained growth in scale of operations and healthy profitability

FEIPL demonstrated steady improvement in its operational and financial performance in the last few years, with revenues registering a healthy growth trajectory (compounded annual growth rate [CAGR] of ~16% over FY21-FY25 [refers to April 01 to March 31]). Total operating income (TOI) improved by ~15% in FY25 to ₹1,541.83 crore (PY: ₹1,343.70 crore). Growth is driven by significant growth in EV segment, steady increase in share of business from existing customers, especially Bajaj Auto Limited (BAL), and new product development and customer acquisition in export markets. The growth momentum continued in 9MFY26 (refers to April 01 to December 31), with TOI of ₹1,313 crore (₹1,172 crore in 9MFY25) driven by improved performance of the metallics division, while EV division demonstrated steady performance despite challenges posed by disruptions in supply of rare earth magnets.

PBILDT margin remained steady at 14.79% in FY25 (PY: 15.19%), which improved in 9MFY26 to 17.06% (14.82% in 9MFY25), supported by higher contribution from export sales. Profit after taxation (PAT) margin stood at 5.61% in FY25 (PY: 4.01%). Consequently, gross cash accruals (GCA) strengthened to ₹178.13 crore in FY25. CareEdge Ratings expects steady growth in TOI in the medium term, supported by continued ramp-up in the EV segment, new product introductions, and growth in export markets, while maintaining healthy profitability levels.

Improvement in capital structure and debt coverage indicators

As on March 31, 2025, FEIPL's capital structure improved with an overall gearing of 0.99x (PY: 1.33x) led by accretion to reserves and conversion of CCDs in equity. Backed by sustained growth in operating profitability and strong cash accruals, the company's debt coverage indicators improved further, with total debt (TD) to GCA and interest coverage of 2.10x and 3.96x, respectively, in FY25 (PY: 3.19x and 3.42x). Improvement in financial risk profile continued in 9MFY26, led by further strengthening of profitability. In the absence of major debt-funded capex plans and robust internal accruals, CareEdge Ratings expects FEIPL to sustain its capital structure, with overall gearing remaining below unity.

Strategic partnership with Minda Corporation Limited

In January 2025, MCL acquired a 49% stake in FEIPL for a cash consideration of ₹1,372 crore from promoters and investors. As the flagship company of the Spark Minda group, MCL is one of the leading automotive component manufacturers in India for locksets, wiring harness and casting products, catering to two-wheeler (2W), three-wheeler (3W), passenger vehicle (PV) and commercial vehicle (CV) segments. MCL has a well-established and reputed client base in the domestic market.

FEIPL and MCL have a diversified-yet-synergised product portfolio, creating cross-selling opportunities. The partnership is expected to enable combined 'content per vehicle' for EV components to increase by 20-30%. Additionally, this partnership will enable FEIPL to expand into the PV and CV segments, leveraging MCL's established customer base in these areas. However, FEIPL is still in initial stages of realising potential synergies with MCL, therefore full benefits are expected to materialise in the medium term.

Diversified product portfolio

The company operates across five business divisions mainly for the 2W and 3W segments: Electricals & Electronics (44% of FY25 TOI), Metallics (19%), Engine Components (11%), EV Components (22%), and Sprockets (4%; sold in Q4FY25), with over 150 products in its portfolio. With rising adoption of electric 2W, FEIPL's EV segment is likely to demonstrate consistent growth.

FEIPL has consistently invested in research and development and formed strategic technical collaborations to develop innovative products that comply with evolving regulations. This focus helped the company transition up the value chain, particularly in the EV segment, as it expands from internal combustion engine (ICE) technologies to electric mobility. FEIPL also plans to start catering to four-wheeler EVs and e-buses in the medium term.

Established and reputed clientele and strategic location of manufacturing facilities

FEIPL developed long-standing and well-established relationships with its clients, particularly BAL, over the years of its operations. FEIPL gradually expanded its customer base, which now includes some of the most reputed OEMs and Tier-1 suppliers. BAL continues to remain its largest revenue contributor. Going forward, while BAL will continue to be a major revenue driver, FEIPL is actively expanding its product portfolio to acquire new customers and drive revenue growth in the medium term.

Flash group has five manufacturing units in Pune, which are in the vicinity of its key customers. With its two foreign manufacturing units in Germany and Hungary, the company established relationships with marquee clients and has access to intellectual capital and technical collaboration leading to product development in key areas such as fuel injection system-based components, and EV components among others. Apart from these, the company has R&D centres at Pune and Poland.

Well-established track record and extensive experience of promoters in the industry
With over three decades of operations in the industry, FEIPL has developed long-standing and established relationships with its key stakeholders. The promoter, Sanjeev Vasdev has experience of over three decades in the industry. His experience and strong understanding of market dynamics enabled FEIPL to maintain healthy relations with customers and suppliers and entail repeat orders from them.

Following the acquisition of 49% by MCL, FEIPL's board has been further strengthened with the addition of Ashok Minda (Chairman of MCL) and Aakash Minda (ED at MCL). Their industry expertise is expected to add strategic value to the company. The management is supported by a qualified team of professionals with significant experience in their respective fields.

Key weaknesses

Customer concentration risk
Though the company has long-association with reputed OEMs, revenue base remains concentrated with top five customers contributing ~80% of its TOI and a single customer, BAL being the largest revenue contributor. However, FEIPL established strong relationship with BAL, maintaining its status as a key supplier and has been able to increase its share of business with BAL over the years. FEIPL derives majority revenue from the 2W segment (~77% of TOI), exposing it to segment concentration risk.

Profitability susceptible to raw material price volatility
The primary raw material required by the company is cores, coils, and other electronic components. Cores are made of steel, and other materials while coils are predominantly made from copper. FEIPL is exposed to risks arising from price fluctuation of these inputs. However, this has been largely mitigated by executing pass-through arrangement with BAL for major raw material components (aluminium and copper). However, the extent and lag in pass-through may impact the profitability margin.

Cyclical auto industry
The automobile industry is cyclical and automotive component suppliers' sales are directly linked to sales of auto OEMs, which are linked with economic activity. The auto industry is inherently vulnerable to economic cycles, industrial growth, investments in infrastructure, and regulatory changes (emission norms, scrappage policy, and overloading norms). The auto-ancillary industry is also competitive with a large number of players in the organised and unorganised sector. While the organised segment majorly caters to OEMs, unorganised segment mainly caters to the replacement market.

Liquidity: Strong
The company's liquidity position continues to remain strong, characterised by sufficient cushion in accruals of ₹200-220 crore against annual repayment obligations of ₹70-80 crore over FY27-FY28 and healthy free cash and liquid investments of ₹78.30 crore as on December 31, 2025. Average maximum utilisation of fund-based limits stood low at ~15% for 12 months ended November 30, 2025. Unutilised bank lines are adequate for meeting the company's incremental working capital needs. Cash flow from operations also stood healthy at ~₹215 crore in FY25.

Assumptions/Covenants – Not applicable

Environment, social, and governance (ESG) risks – Not applicable

Applicable criteria

Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Withdrawal Policy
Auto Components & Equipments
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Automobile and Auto Components	Auto Components	Auto Components & Equipments

Incorporated in October 1989, FEIPL is engaged in manufacturing electrical and electronic auto components, fuel injection systems, gears, shafts, engine components and electric mobility components for the 2W, 3W and four-wheeler (4W) segments. The company was founded by Sanjeev Vasdev, who has an experience of over three decades in the industry. In January 2025, MCL acquired 49% stake in FEIPL.

Brief Financials (₹ crore) - Consolidated	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (Prov.)
Total operating income	1343.70	1541.83	1313.29
PBILDT*	204.15	228.01	224.02
Profit after tax (PAT)	53.85	86.46	88.00
Overall gearing (x)	1.33	0.99	NA
Interest coverage (x)	3.42	3.96	5.73

A: Audited; Prov.: Provisional; NA: Not Available; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Brief Financials (₹ crore) - Standalone	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	1,167.84	1,366.39
PBILDT*	188.05	205.24
Profit after tax (PAT)	53.12	79.65
Overall gearing (x)	1.26	0.97
Interest coverage (x)	3.27	3.71

A: Audited; 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		-	-	-	41.00	CARE AA-; Stable
Fund-based - LT-Term Loan		-	-	30/09/2031	248.36	CARE AA-; Stable
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG		-	-	-	10.00	CARE AA-; Stable / CARE A1+
Non-fund-based-Short Term		-	-	-	15.00	CARE A1+
Term Loan-Long Term		-	-	30/06/2030	19.23	CARE AA-; Stable

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	248.36	CARE AA-; Stable	-	1)CARE A+; Stable (27-Mar-25)	1)CARE A-; Positive (11-Mar-24)	1)CARE A-; Negative (16-Feb-23)
2	Fund-based - LT-Cash Credit	LT	41.00	CARE AA-; Stable	-	1)CARE A+; Stable (27-Mar-25)	1)CARE A-; Positive (11-Mar-24)	1)CARE A-; Negative (16-Feb-23)
3	Non-fund-based - ST-BG/LC	ST	-	-	-	-	1)Withdrawn (11-Mar-24)	1)CARE A2 (16-Feb-23)
4	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	10.00	CARE AA-; Stable / CARE A1+	-	1)CARE A+; Stable / CARE A1 (27-Mar-25)	1)CARE A-; Positive / CARE A2 (11-Mar-24)	1)CARE A-; Negative / CARE A2 (16-Feb-23)
5	Term Loan-Long Term	LT	19.23	CARE AA-; Stable	-	1)CARE A+; Stable (27-Mar-25)	1)CARE A-; Positive (11-Mar-24)	-
6	Non-fund-based-Short Term	ST	15.00	CARE A1+	-	1)CARE A1 (27-Mar-25)	1)CARE A2 (11-Mar-24)	-

LT: Long term; ST: Short term; LT/ST: Long term/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	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple
4	Non-fund-based-Short Term	Simple
5	Term Loan-Long Term	Simple

Annexure-5: Lender details

To 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	Flash Holding GmbH	Full	Wholly owned subsidiary
2	Bing Power System GmbH	Full	Wholly owned step-down subsidiary
3	Bing Power Origin Kft	Full	Wholly owned step-down 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.

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