

Welspun Enterprises Limited (Revised)
June 10, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating ¹	Rating Action
Long-term Bank Facilities	-	-	Reaffirmed at CARE A+; Stable (Single A Plus; Outlook: Stable) and withdrawn
Long/Short-term Bank Facilities	-	-	Reaffirmed at CARE A+; Stable/CARE A1+ (Single A Plus; Outlook: Stable/A One Plus) and withdrawn
Total Facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has reaffirmed and withdrawn the outstanding ratings of 'CARE A+; Stable/CARE A1+' [Single A Plus; Outlook: Stable/ A One Plus] assigned to the bank facilities of Welspun Enterprises Limited with immediate effect. The above action has been taken at the request of Welspun Enterprises Limited and 'No Objection Certificate' received from the banks that have extended the facilities rated by CARE.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

Welspun Enterprises Ltd. (WEL) (formerly known as Welspun Projects Ltd) established in 1994 in Vadodara (Gujarat), is primarily engaged in infrastructure (construction, developing and maintaining BOT/HAM projects in water and roads) business and offers civil engineering services. It is a part of Welspun Group promoted by Mr. B. K. Goenka and Mr. R. R. Mandawewala having business interests in home & advanced textiles, large diameter line pipes, infrastructure, and flooring solutions. The Company was created in its current form since May 11, 2015 through the merger of Welspun Enterprises Ltd., Welspun Infratech Ltd., Welspun Plastics Private Ltd., Welspun Infra Projects Private Ltd. and Welspun Projects Ltd.

The company undertakes Engineering Procurement and Construction (EPC) works through sub-contractors for both Welspun Group companies as well as outside clients. It has designed and built manufacturing plants and executed Build Operate and Transfer (BOT) projects across India.

Brief Financials (Rs. crore)	FY19 (A)	FY20 (A)*
Total operating income	1,824.49	1,919.43
PBILDT	231.17	321.42
PAT	126.76	151.13
Overall gearing (times)	0.41	0.61
Adjusted gearing (times) (including guaranteed debts of SPVs and Mobilization Advances)	0.87	1.41
PBILDT Interest coverage (times)	4.33	4.15

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

A: Audited *As per abridged results published on BSE; In CARE's opinion, post NHAI sponsored projects undertaken by SPVs are completed, burden on the parent company is expected to be reduced substantially and improve the overall credit profile.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund Based-LT	-	-	-	-	0.00	Withdrawn
Non-fund-based – LT/ST	-	-	-	-	0.00	Withdrawn

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Term Loan-Long Term	LT	-	-	-	-	-	1)Withdrawn (12-May-17)
2.	Term Loan-Long Term	LT	-	-	-	-	-	1)Withdrawn (12-May-17)
3.	Fund-based-Long Term	LT	-	-	1)CARE A+; Stable (10-Jun-20) 2)Withdrawn (10-Jun-20)	1)CARE A+; Stable (05-Feb-20)	1)CARE AA-; Stable (22-Mar-19) 2)CARE AA-; Stable (19-Sep-18) 3)CARE AA-; Stable (06-Apr-18)	1)CARE A+; Stable (12-May-17)
4.	Non-fund-based-LT/ST	LT/ST	-	-	1)CARE A+; Stable / CARE A1+ (10-Jun-20) 2)Withdrawn (10-Jun-20)	1)CARE A+; Stable / CARE A1+ (05-Feb-20)	1)CARE AA-; Stable / CARE A1+ (22-Mar-19) 2)CARE AA-; Stable / CARE A1+ (19-Sep-18) 3)CARE AA-; Stable / CARE A1+ (06-Apr-18)	1)CARE A+; Stable / CARE A1+ (12-May-17)
5.	Commercial Paper	ST	300.00	CARE A1+	-	1)CARE A1+ (05-Feb-20)	1)CARE A1+ (22-Mar-19) 2)CARE A1+ (19-Sep-18) 3)CARE A1+ (19-Apr-18)	-
6.	Debentures-Non Convertible	LT	-	-	-	-	1)Withdrawn (25-Dec-18)	-

	Debentures						2)CARE AA-; Stable (19-Sep-18)	
7.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (25-Dec-18) 2)CARE AA-; Stable (19-Sep-18)	-

Annexure-3: Detailed explanation of covenants of the rated facilities: Not Applicable

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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