

## Rating Rationale

9 September 2022

### Sintex-BAPL Ltd.

Brickwork Ratings has reviewed the Rating for the Bank Loan facilities of Rs. 1395.55 Crores and NCDs aggregating Rs. 1145 Cr of Sintex-BAPL Ltd. (the ‘Company’) based on best available information, as the issuer did not cooperate. Accordingly, the rating for the said instrument is as under:

#### Particulars

Facility	Amt Rated (Rs in Crores)		Tenor	Rating History with BWR (September 2021)	Present Rating
	Previous	Present			
Term Loans	761.45	<b>761.45</b>	Long term	BWR D ISSUER NOT COOPERATING*	<b>BWR D Continues to be under ISSUER NOT COOPERATING* category / Reaffirmed</b>
Working Capital – Fund Based	384.10	<b>384.10</b>			
Working Capital – Non-Fund Based	250.00	<b>250.00</b>	Short term		
NCDs	1145.00	<b>1145.00</b>	Long term	BWR D ISSUER NOT COOPERATING*	<b>BWR D Continues to be under ISSUER NOT COOPERATING* category / Reaffirmed</b>
<b>Total</b>	2540.55	<b>2540.55</b>	<b>INR Two Thousand Five Hundred Forty Crore and Fifty Five Lakhs only/-</b>		

#Please refer to BWR website [www.brickworkratings.com/](http://www.brickworkratings.com/) for definition of the ratings

\*Issuer did not co-operate; based on best available information.

#### Nature of Non-cooperation:

The rating was due for a review in September 2022. Brickwork Ratings (BWR) took up with the issuer to provide required information over emails dated September 1, 2022, September 5, 2022 and September 6, 2022 and through telephone communication. Despite the best efforts of Brickwork Ratings to get at least the minimum required information for a review, the entity has not provided the same. In the absence of adequate information from the issuer, Brickwork Ratings reviewed the rating based on the best available information in public domain which though is not sufficient to maintain the valid rating.

**Continuation of Delays / Defaults:** As per the publicly available information, the Company continues to default in debt servicing.

#### Limitations of the ratings:

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned ratings may also be accompanied by financial stress. Users of the credit ratings should therefore



take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding of information required for a review of the ratings.

### **Analytical approach**

For arriving at its ratings, Brickwork Ratings has applied its ratings methodology as detailed in the Rating Criteria below (hyperlinks provided at the end of this rationale).

### **About the Company:**

Incorporated in December 2007, as Bright Autoplast Private Limited, the name of the company was changed to Sintex-BAPL in September 2015, when SintexLtd acquired automotive business of Bright Brothers Limited which was engaged in automotive business since 1975. Earlier, Sintex-BAPL was a wholly owned subsidiary of Sintex Industries Ltd (SIL). However, under the composite scheme of arrangement, SIL divested its 100% ownership to Sintex Plastic Technology Limited (SPTL).

Sintex-BAPL is engaged in manufacturing of various engineering plastic components for automobile Original Equipment Manufacturers (OEMs), tier-I auto ancillaries and electrical goods manufacturers in the domestic market. Subsequent to the transfer of custom moulding business (both domestic and overseas), the product portfolio of Sintex-BAPL has expanded significantly. Presently, Sintex-BAPL's portfolio includes various kinds of moulded plastic products like water tanks, sheet-moulding casting (SMC), industrial products, doors, section and interiors, power transmission & distribution accessories, FRP storage tanks and automobile and electrical components.

As per information available in the annual report of Welspun Corp Ltd., (WCL- BWR AA (Stable), which is listed entity, WCL's wholly owned subsidiary Mahatva Plastic Products And Building Materials Private Limited. (Mahatva) have acquired Sintex BAPL Ltd.'s Senior Secured Unlisted Non-Convertible Debentures with outstanding of Rs. 1176.61 Cr for a purchase price of Rs. 403.16 Cr.

**Status of non-cooperation with previous CRA (if applicable):** CARE D Issuer Non Cooperation as on May 18, 2021

**Rating History for the last three years (including withdrawn/suspended ratings)**

Sl. No.	Instrument/Facility	Current Rating (September 2022)			Rating History							
		Type	Amount	Rating	2-Sep-21	28-Aug-20	2019					
		(Long Term/Short Term)	(Rs Crs)				21-Aug-19	14-Jun-19	25-Jan-19			
1	Secured Term Loans	Long Term	761.45	BWR D ISSUER NOT COOPERATING *	BWR D ISSUER NOT COOPERATING *	BWR D ISSUER NOT COOPERATING *	BWR D	BWR C	BWR A			
											(Stable)	
3	Working Capital Limits (Fund Based)	Long Term	384.1							BWR D	BWR C	BWR A
												(Stable)
4	Working Capital Limits (Non- Fund Based)	Short Term	250							BWR D	BWR C	BWR A1
5	NCD	Long Term	200							BWR D	BWR C	BWR A
												(Stable)
6	NCD	Long Term	130							BWR D	BWR C	BWR A
									(Stable)			
7	NCD	Long Term	130				BWR D	BWR C	BWR A			
									(Stable)			
6	NCD	Long Term	130				BWR D	BWR C	BWR A			
									(Stable)			
6	NCD	Long Term	555				BWR D	BWR C	BWR A			
									(Stable)			
<b>Total</b>			<b>2540.55</b>									

\*Issuer did not co-operate; based on best available information

**COMPLEXITY LEVELS OF THE INSTRUMENTS - Simple**

For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to financial ratios](#)
- [Short Term Debt](#)
- [Manufacturing Sector](#)
- [What Constitutes Non-Cooperation](#)
- [BWR's criteria for recognition of default](#)



For any other criteria obtain [hyperlinks](#) from website

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### Details of Bank Loan Facilities rated by BWR – ANNEXURE I

Bank	Facilities			
	Term Loans	Fund Working Limits	Based Capital	Non-fund based working capital limits
KKR Term Loans	245.0			
HDFC Bank	58.7		35.1	9.9
Abu Dhabi Commercial Bank (ECB)	162.6			
HDFC Bank (ECB)	195.1			
RBL Bank	40.0			40.1
Yes Bank	60.0		45.0	15.0
Bank of Baroda			125.0	65.0
State Bank of India			179.0	120.0
<b>Total</b>	<b>761.45</b>		<b>384.1</b>	<b>250</b>

**ANNEXURE – II Details of NCD:**

Instruments	Amt	Issue Date	Coupon	Maturity	ISIN
NCD	₹ 200 Cr	27-May-16	9.36%	27-May-26	INE631U07019
NCD	₹ 130 Cr	21-Dec-17	Zero Coupon with redemption premium	21-Dec-20	INE631U07027
NCD	₹ 130 Cr	21-Dec-17	Zero Coupon with redemption premium	21-Dec-21	INE631U07035
NCD	₹ 130 Cr	21-Dec-17	Zero Coupon with redemption premium	21-Dec-22	INE631U07043
NCD	₹ 555 Cr	21-Dec-17	5%	21-Dec-27	INE631U07050
<b>Total</b>	<b>₹ 1145 Cr (One Thousand One Hundred Forty Five Crore Only)</b>				

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