



Rating Rationale

24 July 2023

Welspun Enterprises Limited

Brickwork Ratings Reaffirms and withdraws the Bank Loan Ratings of Welspun Enterprises Limited (WEL); and withdraws the ratings of the Non-Convertible Debenture (NCD) Issue of Rs. 375.00 Crs and Commercial Papers (CPs) Rating of Rs. 225.00 Crs of Welspun Enterprises Limited on account of full redemption of the NCDs and CPs.

Particulars

Facilities/ Instrument **	Previous Amt (Rs. Cr)	Present Amt (Rs. Cr)	Tenure	Previous Rating* (July 19, 2022)	Present Rating*
Fund Based Working Capital Limits***	485.00	485.00	Long Term	BWR AA- (Stable)	BWR AA- (Stable)/ Reaffirmed /Withdrawn
Non-Fund Based Limits (Bank Guarantees)***	1836.00	1836.00	Long Term/ Short Term	BWR AA- (Stable) / A1+	BWR AA- (Stable)/ A1+/ Reaffirmed/Withdrawn
NCD (listed in BSE)	375.00	0.00	Long Term	BWR AA- (Stable)	Withdrawn
Commercial Papers	225.00	0.00	Short Term	BWR A1+	Withdrawn
Total	2921.00	2321.00	Rupees Two Thousand Three Hundred and Twenty One Crores Only		

Withdrawal of the NCDs and Commercial Papers Ratings are on account of full redemption

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

**Details at Annexure I and Annexure II.

***Non-fund based limits of Rs.1836 Cr and fund based limits of Rs.485 Cr are one way interchangeable from fund based to non fund based

RATING ACTION / WITHDRAWAL

Brickwork Ratings assigned the rating of BWR AA-/Stable and BWR A1+ to the bank loan facilities of Rs. 2921 crores of Welspun Enterprises Limited. (WEL) on July 19, 2022.

Now, the company has taken up with BWR for withdrawal of the bank loan ratings, along with No Objection Certificates (NOCs) from all the concerned lenders for withdrawal of the existing ratings with BWR. As per BWR's Rating Withdrawal Policy, the ratings have been reviewed based on available information at the time of withdrawal. The ratings have been reaffirmed at BWR AA-/Stable and BWR A1+ based on the available information and are simultaneously withdrawn.

BWR also withdraws the ratings for the Non Convertible Debentures (NCDs) of Rs. 375.00 Crs issued by the company as the NCDs were fully redeemed by the company on the maturity date and the same was supported by the confirmation from the Debenture Trustee, Investors and public disclosure by the company on stock exchange.



BWR also withdraws the ratings for the Commercial Papers(CPs) of Rs. 225.00 Crs issued by the company as the CPs were fully redeemed by the company and the same was supported by the confirmation from the company and the Issuing and Paying Agent.

COMPANY’s PROFILE

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) work 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.

Non-Cooperation with Previous Credit Rating Agency If Any: NA

Rating History for the Previous Three Years [Including Withdrawal & Suspended]

S.No	Instrument /Facility	Type		Current Rating	Rating History		
		(Long Term/	Amount		2022	2021	2020
		Short Term)	(₹ Crs)				
1	Commercial Paper	Short term	0.00	Withdrawn (July)	A1+/ Reaffirmed (19 July)	A1+/ Reaffirmed (28 June) A1+/ Reaffirmed (27 May)	A1+/ Reaffirmed (11 May) A1+/ Reaffirmed (17 March)
2	NCD	Long term	0.00	Withdrawn (July)	AA- (Stable)/ Reaffirmed (19 July)	AA- (Stable)/ Reaffirmed (28 June) AA-(Stable) /Reaffirmed (27 May)	AA- (Stable)/ Assigned (11 May) Withdrawn (17 March)
3	NCD	Long Term	0.00	Withdrawn (July)	AA- (Stable)/Reaffirmed (19 July)	AA- (Stable)/ Reaffirmed (28 June) AA- (Stable)/ Assigned (27 May)	-

4	Fund Based Working Capital*	Long Term	485.00	BWR AA-(Stable)/Reaffirmed/Withdrawn (July)	AA-(Stable)/Reaffirmed (19 July)	AA-(Stable)/Reaffirmed (28 June) AA-(Stable)/Reaffirmed (27 May)	AA-(Stable)/Reaffirmed (11 May) AA-(Stable)/Assigned (17 March)
5	Non-Fund Based Working Capital*	Long Term / Short Term	1836.00	BWR AA-(Stable)/ A1+/Reaffirmed/Withdrawn (July)	A1+/Reaffirmed (19 July)	AA-(Stable) / A1+/Reaffirmed (28 June) AA-(Stable) / A1+/Reaffirmed (27 May)	AA-(Stable) / A1+/Reaffirmed (11 May) AA-(Stable) / A1+/Assigned (17 March)
6	Bank Term Loan	Long Term	-	-	-	AA-(Stable)/Reaffirmed (28 June) AA-(Stable)/Reaffirmed (27 May)	AA-(Stable)/Reaffirmed (11 May) AA-(Stable)/Assigned (17 March)
7	Proposed Term Loan / Working Capital Term Debt	Long Term	-	-	-	Withdrawn (27 May)	AA-(Stable)/Reaffirmed (11 May) AA-(Stable)/Assigned (17 March)
Total			2321.00	Rs. Two Thousand Three Hundred and Twenty One Crore Only			

*Non-fund based limits of Rs.1836 Cr are in the form of Bank Guarantees/Letter of Credit and fund based limits of Rs.485 Cr are one way interchangeable from fund based to non-fund based.

NA: Not Available

Any other information: NIL

COMPLEXITY LEVELS OF THE INSTRUMENTS - Simple

For more information, visit

www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Commercial Paper](#)
- [Engineering Procurement and Construction \(EPC\) Companies](#)
- [Short Term Debt](#)
- [Rating Withdrawal Policy.](#)

Analytical Contacts	
Pallav Kumar Goel Ratings Analyst pallavkumar.g@brickworkratings.com	Bal Krishna Piparaiya Principal Director – Ratings Board: +91 22 28311426, 28311439. piparaiya.bk@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

Welspun Enterprises Limited

Annexure I

Details of Bank Loan Facilities Rated by BWR

No.	Name of the Lender	Type of Facilities	Long term (Rs. Cr)	Short Term (Rs. Cr)	Total (Rs. Cr)
1	Union Bank of India	Working Capital	125	475	600
2	IDBI Bank	Working Capital	49	181	230
3	Indian Bank	Working Capital	50	100	150
4	IDFC First Bank	Working Capital	(40)	150	150
5	Indusind Bank	Working Capital	40	100	140
6	Karnataka Bank	Working Capital	(90)	90	90
7	Central Bank of India	Working Capital	50	100	150
8	Punjab National Bank	Working Capital	50	200	250
9	Bank of Maharashtra	Working Capital	66	190	256
10	Canara Bank	Working Capital	30	200	230
11	Karur Vysya Bank	Working Capital	25	50	75
Total (Rs. Two Thousand Three Hundred and Twenty One Crore Only)					2321



**Annexure II
INSTRUMENT DETAILS**

Details of NCDs rated by BWR:

Instrument	Issue Date	Amount [Rs. Crs.]	Outstanding Amount [Rs. Crs.]	Coupon Rate (P.A)	Maturity Date	Date of Redemption	ISIN Particulars
NCD	27-May-2020	175	0.00	8.85%	27-May-2023	27-May-2023	INE625G07010
NCD	01-Jun-2020	200	0.00	9.75%	01-Jun-2023	01-Jun-2023	INE625G07028

Details of CP rated by BWR:

Instrument	Previous Amt (Rs. Cr)	Outstanding Amt (Rs. Cr)
Commercial Paper	225	0.00



Annexure III

List of entities Consolidated

Entities Consolidated	Relation	% Holding
Welspun Delhi-Meerut Expressway Private Limited	Subsidiary	100%
Welspun Road Infra Private Limited	Subsidiary	100%
Welspun Amravati Highway Private Limited	Subsidiary	100%
Welspun Build-Tech Private Limited	Subsidiary	100%
Welspun Sattanathapuram Nagapattinam Road Private Limited	Subsidiary	100%
Welsun Projects (Himmat Bypass) Private Limited	Subsidiary	100%
Welspun Projects (Kim Mandavi Corridor) Private Limited	Subsidiary	100%
Dewas Water Projects Works Private Limited	Subsidiary	100%
Welspun Natural Resources Private Limited	Subsidiary	100%
ARSS Bus Terminal Private Limited	Subsidiary	100%
DME Infra Private Limited	Subsidiary	100%
Grenoble Infrastructure Private Limited	Subsidiary	49%
Welspun Aunta-Simaria Project Private Limited	Subsidiary	100%
Welsteel Enterprises Private Limited	Subsidiary	49%
RGY Roads Private Limited	Subsidiary	100%
MBL (GSY) Road Limited	Subsidiary	100%
MBL (CGRG) Road Limited	Subsidiary	100%
Corbello Trading Private Limited	Subsidiary	100%
Chikhali- Tarsod Highways Private Limited	Subsidiary	100%
Welspun Infraconstruct Pvt. Ltd.	Subsidiary	100%
Welspun Kaveri Infraprojects JV Pvt. Ltd.	Subsidiary	100%
Welspun Kaveri Infraprojects JV	Subsidiary	100%
Welspun Edac JV Pvt. Ltd.	Subsidiary	80%
Welspun New Energy Ltd.	Subsidiary	100%
Welspun Infracapacity Private Limited	Subsidiary	51%
Adani Welspun Exploration Limited	Associate	35%
Welspun Enterprises Employees Welfare Trust	Trust	100%



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