



## Rating Rationale

Sintex-BAPL Ltd.

21 Aug 2019

Brickwork Ratings downgrades the Rating of the Bank Loans and various NCDs of Sintex-BAPL Ltd (SBAPL or the “Company”).

### BLR Particulars

Facility	Amt Rated (Rs in Crores)		Tenor	Rating History with BWR (June 2019)	Rating based on current Review (Downgrade)
	Previous	Present			
<b>Fund Based</b>					
Term Loans	761.45	761.45	Long term	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)
Working Capital	384.10	384.10			
<b>Non- Fund Based</b>					
Working Capital	250.00	250.00	Short term	BWR A4	BWR D
<b>Total</b>	<b>1395.55</b>	<b>1395.55</b>	<b>INR One Thousand Three Hundred Ninety Five Crore and Fifty Five Lakhs only/-</b>		

### Other NCD Ratings are:

Instruments	Amt	Issue Date	Coupon	Maturity	ISIN	Existing Rating (January 2019)	Current Rating (Downgrade)
NCD	₹ 200 Cr	27-May-2016	9.36%	27-May-2026	INE631U07019	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)
NCD	₹ 130 Cr	21-Dec-2017	Zero Coupon with redemption premium	21-Dec-2020	INE631U07027	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)
NCD	₹ 130 Cr	21-Dec-2017	Zero Coupon with redemption premium	21-Dec-2021	INE631U07035	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)

NCD	₹ 130 Cr	21-Dec-2017	Zero Coupon with redemption premium	21-Dec-2022	INE631U07043	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)
NCD	₹ 555 Cr	21-Dec-2017	5%	21-Dec-2027	INE631U07050	BWR C (Pronounced as BWR C)	BWR D (Pronounced as BWR D)
<b>Total</b>	<b>₹ 1145 Cr (One Thousand One Hundred Forty Five Crore Only)</b>						

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

### Ratings Downgrade:

The revision in the ratings of the bank facilities and instruments of Sintex-BAPL Limited (Sintex-BAPL) follows default in debt servicing of interest and principal repayments arising out of its stressed liquidity. As per the stock exchange filing of the quarterly financial results by Sintex Plastic Technology Limited (SPTL; the holding company of Sintex-BAPL) on August 14, 2019, SPTL has mentioned that its subsidiary i.e. Sintex-BAPL has defaulted in principal payment to its lenders aggregating to Rs.57.34 crore in respect of its external commercial borrowings and working capital facilities as on June 30, 2019.

### Background:

Incorporated in December 2007, as Bright Autoplast Private Limited, the name of the company was changed to Sintex-BAPL in September 2015. Subsequent to incorporation, Sintex-BAPL 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.

### Financial Performance:

Standalone Financials	FY17	FY18	FY19
Rs. Cr	Audited	Audited	Audited
Total Operating Income	2021.1	1871.7	1711.0
Operating profit	388.4	322.4	300.9
Net Profit	276.4	26.2	-0.8
Tangible Networkth	58.4	82.5	64.1
Total debt	1993.0	2202.0	2234.1
Gearing	34.1	26.7	34.9
Current Ratio	0.5	0.9	1.0

On a consolidated basis, the company earned a net profit of Rs. 105.88 Cr (P.Y – Rs. 87.00 Cr) on total income of Rs. 4031.04 Cr (P.Y – Rs. 3998.29 Cr) in FY19.

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

Sl. No.	Instrument/Facility	Current Rating (June 2019)			Rating History		
		Type (Long Term/Short Term)	Amount (Rs Crs)	Rating	January 24,, 2019	April 25, 2018	December 19, 2017
1.	Secured Term Loans	Long Term	761.45	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
3.	Working Capital Limits (Fund Based)	Long Term	384.10	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
4.	Working Capital Limits (Non- Fund Based)	Short Term	250.00	BWR A4	BWR A1	BWR A1+	BWR A1+
5.	NCD	Long Term	200.00	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)

6.	NCD	Long Term	130.00	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
7.	NCD	Long Term	130.00	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
6.	NCD	Long Term	130.00	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
6.	NCD	Long Term	555.00	BWR C	BWR A (Stable)	BWR AA- (Stable)	BWR AA- (Stable)
<b>Total</b>			<b>2540.55</b>				

**Hyperlink/Reference to applicable Criteria**

- [General Criteria](#)
- [Approach to financial ratios](#)
- [Short Term Debt](#)
- [Manufacturing Sector](#)

For any other criteria obtain hyperlinks from website

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#### **Note on complexity levels of the rated instrument:**

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#### **About Brickwork Ratings**

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