

December 29, 2025

Aptiv Components India Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term / Short-term – Fund-based / Non-fund based limits	80.00	80.00	[ICRA]AA- (Stable)/[ICRA]A1+; reaffirmed
Total	80.00	80.00	

*Instrument details are provided in Annexure-I

Rationale

The ratings reaffirmation factors in the expectation of continued steady operating and financial performance of Aptiv Components India Private Limited (ACIPL), supported by its healthy share of business (SoB) and diversified customer base in the electrical distribution systems (EDS; wiring harness) segment. ICRA notes that the company has demerged its Technology Centre (TC) and Advanced Safety and User Experience (ASUX) businesses from the wiring harness division (effective December 1, 2025) into a separate entity, in line with the strategy adopted by its parent company, to create two independent business verticals given the distinct nature of these businesses, respective customer bases and value creation. The ASUX and TC divisions have been carved out into a new entity, ASUX Safety Components Private Limited (ASCPL), which is also held by ACIPL's parent company. These segments contributed about 28% of the company's operating income in FY2025; consequently, its scale of operations is expected to moderate from the highs of FY2025 and FY2026 in FY2027. Nonetheless, given ACIPL's strong market position in the wiring harness segment and healthy new order wins from several large original equipment manufacturers (OEMs), its scale of operations is anticipated to remain robust going forward.

With projections of stable revenues and profitability over the medium term, the company is likely to generate robust cash accruals and maintain a robust credit profile. The ratings also continue to benefit from its strong parentage as a wholly owned subsidiary of Aptiv PLC (rated Baa2 Negative by Moody's). It derives significant technological support from its parent, which is expected to enable it to consistently meet evolving customer requirements going forward.

ICRA notes that the company's scale has ramped up over the past few years, supported by the organic growth of its existing customers and the expansion of its customer base. It reported an 18% increase in revenue to Rs. 4,983.5 crore in FY2025, driven by healthy growth across the EDS, ASUX and TC divisions. Going forward, growth in the wiring harness business is expected to be supported by new model wins, including electric vehicle (EV) platforms, and its presence in several high-selling models.

The company continues to maintain a strong financial risk profile and liquidity position, characterised by nil debt, surplus cash balances (Rs. 265 crore as on December 1, 2025) and unutilised working capital limits. Despite moderate capital expenditure (capex) plans in the near term, ICRA expects ACIPL's credit indicators to remain robust, supported by healthy cash flows from operations. ICRA notes that the company's profit margins remained stable at 10.0% in FY2025 (9.7% in FY2024). Going forward, the operating profitability is expected to remain in line with FY2025, aided by stable revenue growth in the EDS segment despite demerger of ASUX and TC segments.

The long-term rating is still constrained to an extent by the company's high segment concentration in the passenger vehicle (PV) sector, vulnerability of profitability to foreign exchange fluctuations due to the considerable amount of imported raw material and stiff competition from both domestic and international players. The risks are mitigated to an extent by the company's established relationships with its various customers and strong parentage.

The Stable outlook on the long-term rating reflects ICRA's expectation that ACIPL will continue to record steady earnings, helping it maintain its comfortable credit profile, going forward.

Key rating drivers and their description

Credit strengths

Strong business, technological and financial support from parent entity, Aptiv PLC – The company receives significant support from its ultimate parent company, Aptiv PLC, in the form of technical knowhow, which has aided its revenue growth prospects over the years, helping it gain business from various OEMs. ICRA also expects the parent entity to extend financial support to ACIPL, if the need arises.

Diversified customer profile – The company has a diversified customer base with a strong share of business from major PV OEMs such as Mahindra & Mahindra Limited (M&M), Tata Motors, Hyundai Motor India Limited (HMIL), Volkswagen India Group and several other players in the PV segment. It also caters to VE Commercial Vehicles Limited (VECV) in the commercial vehicle segment, however, revenue contribution from this segment remains limited. A healthy demand outlook for the PV industry, coupled with the improving market share of M&M and TML, is expected to support ACIPL's growth prospects going forward.

Healthy market share in wiring harness segment – The company's scale has improved significantly over the past three years, supported by new business from existing customers as well as the acquisition of new customers, particularly in its EDS division. The EDS division grew by about 10% YoY in FY2025, driven by underlying demand in the PV industry and strong demand for the models serviced by ACIPL. Over the years, ACIPL has enhanced its SoB with key customers, aided by its presence in several high-volume OEM models, which has strengthened its business prospects. Looking ahead, growth in the wiring harness business is expected to be driven by new model wins, including EV platforms, and continued presence in several high-selling models.

Healthy financial risk profile with no debt and surplus cash balances – The company's financial risk profile is strong, characterised by nil debt, unutilised working capital facilities and surplus cash balances (around Rs. 265 crore as on December 01, 2025). This is further supported by moderate capex requirements and healthy cash flows from operations.

Credit challenges

Susceptibility of operating margins to foreign exchange fluctuations due to high raw material import content – The company has moderate imported content in the wiring harness business (25-30% of raw material costs), as it imports several parts such as engine cables, fuses and clips, which exposes it to foreign exchange risk. However, the risk is mitigated to an extent by its pass-through clause with customers and the currency hedging undertaken by its parent company on a quarterly basis.

Stiff competition from domestic and international players; mitigated to an extent by established customer relationships – ACIPL faces significant competition in its wiring harness business from domestic and international players. Although the EDS division has grown significantly over the last three years, its scale of operations remains lower than the market leader in the wiring harness business for the domestic PV industry, Motherson Sumi Wiring India Limited (MSWIL). Along with its group company, Kyungshin Industrial Motherson Limited (KIML), MSWIL enjoys the leadership position in the domestic PV industry and healthy SoB in the domestic CV industry. Besides MSWIL and KIML, ACIPL also faces competition from other domestic incumbents, such as Furukawa Minda Electric Pvt. Ltd. and Yazaki India Private Limited. Nevertheless, its established relationship with customers continues to support its business prospects and mitigate the risk to some extent.

High segment concentration in PV sector; diversified customer mix mitigates risk to an extent – Most of ACIPL's sales are from the domestic PV segment, making its earnings susceptible to the industry's performance. However, this high segment concentration risk is partially mitigated by the company's diversified customer mix, with no single customer accounting for more than 30% of overall revenues in the wiring harness business.

Liquidity position: Strong

ACIPL's liquidity position remains **strong**, supported by healthy cash flows, surplus cash balances (~Rs. 265 crore as on December 01, 2025) and unutilised working capital limits of Rs. 80.0 crore. ICRA anticipates the company to maintain its robust liquidity profile, going forward, aided by expectation of healthy cash flow from operations, moderate capex plans (Rs. 150-200 crore over the next 12 months) and no debt repayments.

Rating sensitivities

Positive factors – An improvement in the credit profile of the parent company could trigger a positive rating action for ACIPL. The company's ability to maintain a healthy business profile by continuing to gain business from its customers, while maintaining comfortable profitability and credit metrics, will be considered favourably for an upward revision in the long-term rating.

Negative factors – The ratings could face pressure in case of significant weakening in the credit profile of ACIPL's parent company or weakening of operational linkages with it. The ratings could also be downgraded in case of deterioration in the company's financial profile due to loss of business or any large debt-funded capex. A specific credit metric that could cause ratings downgrade includes total debt/OPBITDA of more than 1.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Auto Components
Parent/Group support	Parent company: Aptiv PLC (rated Baa2/Negative by Moody's) The rating assigned to ACIPL factors in the very high likelihood of its parent entity, Aptiv PLC, extending financial support to it because of the close business linkages between them. ICRA also expects Aptiv PLC to be willing to extend financial support to the company out of its need to protect its reputation from the consequences of a group entity's distress.
Consolidation/Standalone	Standalone

About the company

Aptiv Components India Private Limited (ACIPL, formerly Delphi Automotive Systems Pvt. Ltd.) was incorporated in April 1995 as a wholly owned subsidiary of Aptiv PLC (formerly Delphi PLC). The company operated through three major divisions in India: (a) Electrical Distribution Systems (EDS), which represents the wiring harness business; (b) Technology Centre (TC), a captive software development centre providing engineering services to Aptiv entities globally; and (c) Advanced Safety and User Experience (ASUX). In November 2025, it spun off the Technology Centre and ASUX divisions into a new entity, ASUX Safety Components Private Limited (ASCPL), in line with the strategy adopted by its global parent, Aptiv PLC.

Within the wiring harness segment, ACIPL is positioned as the third-largest company by market share. It has a well-diversified product portfolio as well as customer profile with sales to OEMs such as Mahindra and Mahindra (M&M), Tata Motors Limited (TML), Ford, Hyundai Motor India Limited (HMIL), Volkswagen (VW) and MG Motors. It has six manufacturing facilities, two in Chennai, and one each in Dharuhera (Haryana), Hoskote (Karnataka), Sanand (Gujarat) and Pune (Maharashtra). Majority of the models serviced by ACIPL are PVs.

Key financial indicators (audited)

ACIPL	FY2024	FY2025
Operating income	4,232.8	4,983.5
PAT	172.9	216.2
OPBDIT/OI	9.7%	10.0%
PAT/OI	4.1%	4.3%
Total outside liabilities/Tangible net worth (times)	0.8	0.8
Total debt/OPBDIT (times)	0.4	0.3
Interest coverage (times)	19.2	25.8

Source: Company's annual reports, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Current (FY2026)		Chronology of rating history for the past 3 years						
		Amount rated (Rs. Crore)	FY2026		FY2025		FY2024		FY2023	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund-based / Non-fund based limits	Long-term /Short-term	80.00	Dec 29, 2025	[ICRA]AA-(Stable)/[ICRA]A1+	Sep 13, 2024	[ICRA]AA-(Stable)/[ICRA]A1+	Jun 27, 2023	[ICRA]AA-(Stable)/[ICRA]A1+	Jun 17, 2022	[ICRA]AA-(Stable)/[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term / Short-term – Fund-based / Non-fund based limits	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and Outlook
NA	Fund-based / Non-fund based limits	NA	NA	NA	80.00	[ICRA]AA-(Stable)/[ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis: Not applicable

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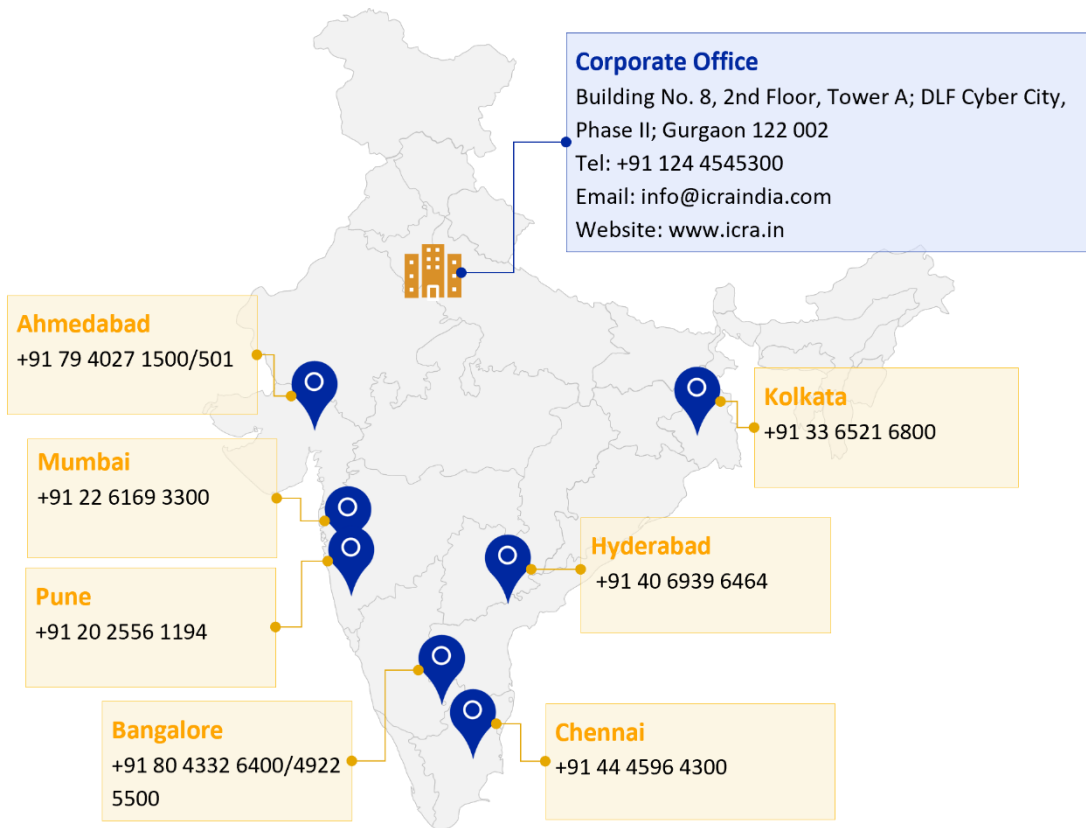
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