

January 08, 2026

## Machino Plastics Becharaji Limited: [ICRA]BB+(Stable) assigned

### Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term – Fund based – Term loan	74.00	[ICRA]BB+ (Stable); assigned
Long-term – Fund based – Working capital	6.00	[ICRA]BB+ (Stable); assigned
<b>Total</b>	<b>80.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

The assigned rating for Machino Plastics Becharaji Limited (MPBL) considers the promoter's experience of more than three decades in the plastic moulding-based automotive components industry. Leveraging on the same, the company has been able to develop a customer base, which includes reputed clients in the automotive and white goods industries like Maruti Suzuki India Limited (MSIL), MG Motors, Daikin and Hitachi. Established relationships and healthy share of business with its key customers have led to repeat order inflow, supporting the company's revenue growth over the years. Moreover, the company is adding a new manufacturing facility in Gujarat to enhance injection moulding capacities and add a paint shop for the components manufactured. This facility, once operational, is expected to support future growth and earnings.

However, the rating is constrained by the company's moderate financial risk profile with sizeable ongoing debt-funded capex plans for its upcoming facility in Gujarat. Owing to this, the company's debt protection metrics are likely to remain moderated over the medium to long term. Further, MPBL's profit margins are exposed to volatility in prices of key raw materials. Although there is a provision of raw material cost pass on with a lag of around 3-4 months with most of its customers, it exposes the company to price volatility in the interim period. Moreover, MPBL remains exposed to relatively high customer concentration risk with its top three customers accounting for 75-80% of its sales. Also, given that most of the company's earnings are generated from the automotive sector, especially passenger vehicles (PV), it remains susceptible to the cyclicity inherent in the industry.

The Stable outlook on MPBL's rating reflects ICRA's opinion that the company will continue to benefit from its healthy share of business with its key customers, enabling it to report steady growth in revenue and earnings.

### Key rating drivers and their description

#### Credit strengths

**Extensive experience of promoters in the automotive plastics injection moulding industry** – Incorporated in 2018, MPBL has established itself as a manufacturer of automotive plastic-based components, especially dashboards and bumpers. This has been supported by its promoter, the Jindal family, who have an experience of more than three decades in the automotive plastic injection moulding business through related company, Machino Plastics Limited (MPL).

**Reputed OEMs as customers** – MPBL has developed a wide customer base of reputed OEMs and tier-1 suppliers in the domestic market such as MSIL, VE Commercial Vehicles Ltd., and JSW MG, among others. However, the company's revenues are largely driven by the sister concern - MPL, with whom the company has arrangement to supply the key raw material, plastic granules, for which the manufacturing capacities are not available with MPL, thereby providing revenue visibility. Further, the

company also enjoys single-source supplier status for its products. Additionally, MPBL maintains a healthy share of business with its key customers, which has also supported its revenue growth over the years.

**Diversification across end-user industries like auto components and white goods** – Majority of the revenue are derived from the auto component segment, while some revenues are derived from the white goods industry wherein the company supplies plastic components primarily to players like Voltbek and Hitachi. Revenues from multiple segments provide some comfort, along with having high share of business with the OEMs it supplies to.

### Credit challenges

**Moderate financial risk profile** – Despite having registered strong growth since commencement of operations, MPBL's scale of operations remains moderate owing to limited track record of operations. The company's net-worth base of Rs. 21.1 crore as on March 31, 2025 is also modest and it is setting up a paint shop in the Gujarat facility, at an expected project cost of Rs. 50-55 crore, to be funded by a Rs. 40-crore term loan and the rest from internal accruals. Given that a large part of the debt for this capex will be availed in the next fiscal, the company's debt protection metrics are likely to remain moderated for FY2027-FY2028. While the facility is expected to commence commercial operations by mid FY2027, MPBL's ability to achieve the same without any material time or cost overruns will remain a key monitorable.

**High customer concentration risk** – MPBL faces high customer client concentration risk with its top customer, MPL, driving about 60% of its revenues in recent years. The company's business performance is, thus, vulnerable to the performance and market share of its key client. However, in view of the OEMs to which the supplies are made in the PV segment and single-source supplier status of its products with the OEM, the risk is largely mitigated. Additionally, the company focuses on adding new customers and increasing supplies to segments other than PVs, which provide some comfort.

**Exposure to cyclicity in automotive sector with PV segment driving large share of revenues** – As majority of the revenues are derived from the automotive segment, MPBL's performance remains linked to the industry cyclicity, which in event of downturn will constrain the overall cash accruals. However, with diversification into white goods industry along with healthy SoB for the OEMs it supplies to, the risk is largely mitigated.

### Liquidity position: Adequate

The company's liquidity is adequate, supported by steady cash flows from operations, which are expected to increase with the expected revenue growth over FY2026-FY2027. The company has minimal cash and bank balances to the tune of Rs. 0.2 crore as on November 30, 2025 along with sanctioned fund-based limits of Rs. 3 crore, on which the company has a utilisation of Rs. 2.1 crore. Further, the company has planned a debt-funded capacity expansion in Gujarat, with outflows of around Rs. 20 crore in FY2026 and Rs. 45 crore in FY2027, which are expected to be funded through cash flows and debt (in advanced stage of sanction). Additionally, the promoters are expected to infuse funds in the company, when required.

### Rating sensitivities

**Positive factors** – ICRA could upgrade MPBL's rating if the company reports healthy increase in scale and profitability, supported by steady ramp up of the new manufacturing facility, post commissioning.

**Negative factors** – Pressure on MPBL's rating could arise if considerable decline in earnings, stretch in the working capital cycle and/or material time/cost overruns in the ongoing capex programme, result in weakening of the company's debt coverage metrics and liquidity position.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">Auto Components</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

## About the company

Incorporated in 2018, MPBL commenced its commercial operations in 2022 and is engaged in manufacturing plastic auto components like bumpers along with tooling for major OEMs. The company has been promoted by members of the Jindal family, who have also promoted Machino Plastics Limited (MPL). The company operates from its two plants in Gujarat and one plant in Manesar, Haryana.

### Key financial indicators (audited)

MPBL Standalone	FY2024	FY2025
Operating income	49.2	86.9
PAT	6.8	7.5
OPBDIT/OI	27.4%	16.8%
PAT/OI	13.8%	8.6%
Total outside liabilities/Tangible net worth (times)	2.2	2.4
Total debt/OPBDIT (times)	1.3	1.2
Interest coverage (times)	8.5	8.3

Source: Company, 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

Current (FY2026)				Chronology of rating history for the past 3 years						
				FY2026	FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term Loan	Long-Term	74.00	Jan 08, 2026	[ICRA]BB+ (Stable)	-	-	-	-	-	-
Fund based – Working Capital	Long-Term	6.00	Jan 08, 2026	[ICRA]BB+ (Stable)	-	-	-	-	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-Term – Fund based – Term Loan	Simple
Long-Term – Fund based – Working Capital	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	Long-Term – Fund based – Term Loan	FY2022-FY2026	9-9.5%	FY2029-FY2033	74.00	[ICRA]BB+ (Stable)
NA	Long-Term – Fund based – Working Capital	NA	NA	NA	6.00	[ICRA]BB+ (Stable)

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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