

April 7, 2026

Jiangyin Uni-pol Vacuum Casting India Pvt. Ltd.: Ratings reaffirmed, outlook revised to Stable from Negative

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 facilities	184.02	189.00	[ICRA]BBB- (Stable)/ [ICRA]A3; Reaffirmed, outlook revised to Stable from Negative
Long term –fund based / term loan	15.98	0.00	-
Total	200.00	189.00	

*Instrument details are provided in Annexure-1

Rationale

The revision in the outlook for the long-term rating of Jiangyin Uni-Pol Vacuum Casting India Pvt. Ltd. (JUPL) to Stable from Negative takes into consideration the improvement in the company's liquidity profile (supported by enhanced profitability as well as freeing up of a few earmarked fixed deposits). Moreover, the improvement in its operating profit margin to 8.2% in FY2025 and further to 12.7% in 9M FY2026 (provisional) from 5.3% in FY2024 and ICRA's expectation of the same to sustain provides further comfort. The improvement in margin is driven by productivity enhancement and cost optimisation measures undertaken by the company in the recent past, with these initiatives expected to support JUPL in achieving further gradual improvement in its profitability going forward.

The ratings continue to draw comfort from JUPL's stable business position as one of the leading turbine wheel manufacturers in India, catering to multiple turbocharger manufacturers in the automotive sector. Though there was some impact on revenues in FY2025-FY2026 due to the discontinuation of low-margin projects by JUPL, ICRA expects moderate revenue growth from FY2027 onwards, given the company's well-established relationships with reputed clients in the turbocharger segment and its healthy wallet share globally. New orders received by the company in CY2024 and CY2025 provide further revenue visibility over the near to medium term. Furthermore, JUPL's geographically diversified customer base provides a cushion against region-specific operational risks to an extent. While the company is exposed to fluctuations in foreign exchange (forex) rates, given the sizeable share of imports in its sourcing mix, there is some natural hedging in its operations, as 80-85% of its revenues are derived from exports. The ratings also factor in the extensive experience of the promoter group, Doncasters Group, in the automotive components manufacturing industry, with a global presence across the automotive, aerospace and gas turbine business verticals. Moreover, the parent entity's presence in similar business segments provides JUPL with operational synergies. ICRA also notes the funding support extended by the parent entity to JUPL in the form of external currency borrowings (ECBs) and fixed deposits, against which JUPL has availed certain working capital facilities from lenders. While the company expects to improve its liquidity position through a combination of factors, including improved working capital management and/or further release of encumbered fixed deposits going forward, developments on these fronts remain a key monitorable. ICRA also notes the waiver of common group expenses for JUPL in FY2025 as well as FY2026 by the Doncasters Group, which provided some comfort to JUPL's bottom line. That said, any future charging of common group expenses by the Group to JUPL, and the consequent impact on profitability, remains a monitorable.

The ratings, however, remain constrained by volatility in revenues, reflected in a YoY decline in FY2025 and 9M FY2026, caused by a slowdown in demand in a few key overseas markets such as Europe and the Americas, along with the company's decision to exit certain low-margin projects. Nevertheless, the recent order wins are expected to support steady revenue expansion

over the medium term. ICRA notes the company's high leverage (TD/OPBDITA of 6.4 times) and moderate coverage indicators (interest cover of 1.8 times) in FY2025, with only gradual improvement anticipated over the near term. That said, the presence of ECBs from the Doncasters Group provides some comfort to the debt profile. The company's strategic decision to discontinue lower-margin projects, in order to focus on high-margin projects is expected to adversely affect revenues but positively influence profitability over the near-to-medium term. ICRA also notes JUPL's revenue concentration towards diesel-engine-driven vehicles, exposing it to risks arising from a gradual reduction in the proportion of diesel vehicles in light of regulatory and voluntary measures aimed at reducing automobile emissions. However, increased penetration of turbochargers in petrol, CNG and hybrid powertrains in passenger vehicles (PVs) in recent years, following the implementation of BS VI norms in April 2020, offsets this risk to an extent. ICRA also notes the working capital-intensive nature of JUPL's operations, in line with its business profile, with the dominant share of exports in the revenue mix resulting in a longer receivables cycle, thereby contributing to elevated working capital intensity.

Key rating drivers and their description

Credit strengths

Extensive experience of promoter group in automotive components manufacturing industry; track record of funding support – JUPL is part of the Doncasters Group, which has an established global presence in the turbine wheel manufacturing space, with manufacturing units located across Europe, the Americas and Asia. The Group has also backward integrated into the manufacturing of superalloys, the key raw material used in turbine wheel production. Following the acquisition of the Uni Pol Group by Doncasters, the combined entity is estimated to be one of the largest global players in the turbine wheel manufacturing space, with a healthy presence among major turbocharger manufacturers worldwide. Direct funding support from the parent entity, in the form of ECBs (Rs. 44.5 crore outstanding as of December 2025), as well as indirect support in the form of fixed deposits of Rs. 27.3 crore with banks as of December 2025, against which working capital lines have been extended to JUPL, provide some comfort to its liquidity position. The Group has also waived common group expenditure (charged to group entities through a common pool) for JUPL in FY2025 as well as FY2026, thereby supporting the latter's bottom line to an extent.

Established relationships with reputed clients with healthy wallet share – JUPL enjoys established relationships with reputed clients, i.e., turbocharger manufacturers in the automotive sector. Through its long-standing associations with leading turbocharger manufacturers globally, JUPL enjoys sufficient revenue visibility and a healthy wallet share through long-term contracts with customers. The limited competition and organised nature of the turbine wheel market provide existing players with a stable business position and steady growth opportunities.

Geographically diversified customer base provides cushion against region-specific operational risks – JUPL's clientele comprises both domestic and overseas customers, with exports contributing a dominant share (80-85%) of revenues over the years. By exporting turbine wheels to multiple international markets such as Europe and North America, the company is protected, to an extent, from region-specific operational risks and demand downturns impacting particular geographies. Further, exports provide a natural hedge against the imports undertaken by the company, to an extent.

Credit challenges

Revenue declined in FY2025 and 9M FY2026 due to demand slowdown and strategic exits from low-margin projects – JUPL undertook a strategic decision in CY2023-24 to discontinue low-margin projects in order to enhance focus on higher-margin offerings and support margin expansion. Such strategic exits, coupled with recent slowdowns in a few major overseas markets (such as the US and Europe), resulted in a 20% YoY revenue decline in FY2025, followed by a further 10% YoY decline in 9M FY2026. That said, new business wins by the company through CY2024 and CY2025, with dispatches commencing from Q3 FY2026, are expected to provide comfortable revenue growth momentum over the medium term. It is also noteworthy that, while these strategic exits from low-margin projects resulted in some revenue decline in FY2025-9M FY2026, the improvement

in profitability due to the change in product mix has already started to materialise, as evidenced by the improvement in OPM from 5.3% (FY2024) to 8.2% (FY2025) and further to 12.7% (9M FY2026, provisional).

Leveraged capital structure – The company’s leverage and coverage indicators remain impacted due to high debt levels, as reflected by TD/OPBDITA of 6.4 times as of March 31, 2025 (previous year, PY: 7.4 times) and interest coverage of 1.8 times for FY2025 (PY: 1.6 times). It has availed term loans to fund capital expenditure (capex) in the recent past, while working capital requirements have also remained high, considering the elevated working capital intensity of operations. ICRA notes that, of the total debt of Rs. 227.6 crore as on March 31, 2025, Rs. 44.5 crore pertained to ECBs from the parent, thereby limiting external debt exposure to Rs. 183.2 crore. Supported by improved profitability in 9M FY2026, aiding accrual generation, the gross debt level moderated to an extent, from Rs. 227.6 crore in March 2025 to Rs. 176.4 crore in September 2025. However, the company is expected to remain dependent on working capital borrowings owing to the inherently high working capital intensity of operations. Thus, leverage and coverage indicators are expected to remain under pressure over the near term, with only gradual improvement anticipated over the medium term.

Revenue concentration on diesel-engine driven vehicles; increasing penetration of turbochargers in other automotive variants provides some comfort – JUPL’s revenue concentration remains sizeable towards diesel-engine-driven vehicles, exposing it to risks arising from the gradual reduction in the proportion of diesel vehicles, in light of regulatory and voluntary measures aimed at reducing automobile emissions. However, increased penetration of turbochargers in petrol, CNG and hybrid powertrains in PVs in recent years, following the implementation of BS VI norms in April 2020, offsets the risk to some extent.

High working capital intensity due to long receivables cycle from exports segment – JUPL’s operations are characterised by high working capital intensity (44% in FY2025) because of the long receivables cycle in its exports business. As a result, working capital utilisation remains high, thereby exerting some pressure on liquidity. However, funding support received from the parent entity in the form of fixed deposits as collaterals for banking lines provides some comfort to the liquidity position. While the company expects to improve liquidity through a combination of factors, including better working capital management and/or further release of encumbered fixed deposits going forward, developments on these fronts remain a key monitorable.

Liquidity position: Adequate

JUPL’s liquidity profile is adequate, as reflected by a moderate cash and liquid investments balance and a comfortable buffer in the form of undrawn working capital lines. The company had free cash and liquid investments of Rs. 10.4 crore and a comfortable buffer of Rs. 36.7 crore in the form of undrawn working capital lines, with an average working capital utilisation of 83% for the 13-month period ended December 2025. The quantum of debt repayment remains moderate over the near term, at Rs. 6-8 crore per annum. Capex outlay remains limited over the near term at Rs. 10-12 crore per annum, mainly towards maintenance activities. JUPL’s liquidity profile draws comfort from the track record of financial support from the Doncasters Group in the form of ECBs and lien-marked fixed deposits as collaterals for bank facilities availed by JUPL.

Rating sensitivities

Positive factors – The ratings could be upgraded if the company exhibits significant growth in revenue, coupled with improvement in profitability on a sustained basis.

Negative factors – The ratings could be revised downwards with a considerable decline in revenues or weak profitability, resulting in a stretched liquidity position for JUPL on a sustained basis. Any upstreaming of funds to support parent/Group entities that impacts its credit metrics and liquidity position, on a sustained basis, would also be a credit negative. A DSCR lower than 1.4 times on a sustained basis may also lead to ratings downgrade.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Auto Component
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of JUPL.

About the company

JUPL, incorporated in FY2009, is positioned as a tier-2 component supplier engaged in the manufacturing of turbine wheels used in vehicle turbochargers. The company supplies turbine wheels to the automotive industry for passenger vehicle (PV) and commercial vehicle (CV) segments. It was part of the Uni-Pol Group, which was acquired by the Doncasters Group in FY2023. JUPL, in turn, owns around 99.9% stake in a manufacturing unit in Mexico, UPM Casting SA DE CV, which is also involved in providing precision components to the automotive and aerospace industries. JUPL has a manufacturing capacity of 12.0 million units per annum. Its manufacturing plant is in Pimple Jagtap, Pune (Maharashtra). JUPL's revenue profile is dominated by exports, which typically contribute 80-85% of its standalone revenues.

Key financial indicators

JUPL (Standalone)	FY2024	FY2025	9M FY2026*
Operating Income (Rs. crore)	537.7	432.5	292.7
PAT (Rs. crore)	6.6	12.1	19.9^
OPBDIT/OI (%)	5.3%	8.2%	12.7%
PAT/OI (%)	1.2%	2.8%	6.8%
Total Outside Liabilities/Tangible Net Worth (times)	2.5	2.0	NA
Total Debt/OPBDIT (times)	7.4	6.4	NA
Interest Coverage (times)	1.6	1.8	NA

Source: JUPL, ICRA Research; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; *Provisional financials, ^Arrived at assuming historic tax rates for PBT figure for 9M FY2026

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs. crore)	April 7, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based / Non-fund based facilities	Long-term / Short-term	189.00	[ICRA]BBB-(Stable)/ [ICRA]A3	-	-	10-Feb-25	[ICRA]BBB-(Negative)/ [ICRA]A3	-	-
Fund based / term loan	Long-term	0.00	-	-	-	10-Feb-25	[ICRA]BBB-(Negative)	23-Nov-23	[ICRA]BBB (Negative)
			-	-	-	-	-	9-Jan-24	[ICRA]BBB (Negative)
Fund based / cash credit	Long-term	0.00	-	-	-	-	-	23-Nov-23	[ICRA]BBB (Negative)
			-	-	-	-	-	9-Jan-24	[ICRA]BBB (Negative)
Short term – Non fund based	Short-term	0.00	-	-	-	-	-	23-Nov-23	[ICRA]A3+
			-	-	-	-	-	9-Jan-24	[ICRA]A3+
Unallocated limits	Long-term / Short-term	0.00	-	-	-	-	-	23-Nov-23	[ICRA]BBB (Negative)/ [ICRA]A3+
			-	-	-	-	-	9-Jan-24	[ICRA]BBB (Negative)/ [ICRA]A3+

Source: Company

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term / Short-term –Fund-based / Non-fund based facilities	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 / Short-term – Fund-based / Non-fund based facilities	NA	NA	NA	189.00	[ICRA]BBB- (Stable)/ [ICRA]A3

Source: Company

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

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