July 29, 2026

Indutch Composites Technology Pvt. Ltd.: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action	Financial Sector Regulator#
Long-term fund-based – Term loan	21.10	21.10	[ICRA]A- (Stable); reaffirmed	RBI
Long-term fund-based – Cash credit	145.00	145.00	[ICRA]A- (Stable); reaffirmed	RBI
Short-term – Non-fund based	52.00	52.00	[ICRA]A2+; reaffirmed	RBI
Total	**218.10**	**218.10**		

**Instrument details are provided in Annexure-I*

 # SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Rationale

The reaffirmation of the ratings for Indutch Composite Technologies Pvt. Ltd. (Indutch) factors in its established position and extensive experience of its founding promoters in the advanced composite-based engineering and components business, primarily for the wind energy sector; and its strong parentage in the form of Munjal Auto Industries Limited (MAIL; rated [ICRA]AA-(Stable)/[ICRA]A1+). Indutch has established relationships with reputed global and domestic wind turbine generator (WTG) OEMs, which has supported repeat business, steady offtake and a healthy ramp-up in scale over the recent years. The company's operating income has grown at a CAGR of around 45% during FY2021-FY2026, reaching around Rs. 856 crore in FY2026, supported by higher volumes from existing customers and addition of new customer programmes. The growth momentum is expected to sustain in FY2027, aided by its existing order book, improving utilisation across facilities and favourable demand prospects for wind turbine blades, moulds and allied composite products. The company has been largely able to sustain its operating margins at 10-11% in the past two fiscals, supported by economies of scale and raw material cost escalation pass through arrangement in part of the orders being serviced.

The ratings, however, remain constrained by the company's moderate financial risk profile, high dependence on the wind energy sector and elevated working capital intensity. Indutch derives most of its revenues from windmill blades, moulds and allied products, exposing it to sectoral concentration risk. Any slowdown in wind capacity additions, moderation in OEM order flow or delays in customer model transitions could impact its revenue visibility and capacity utilisation. Nevertheless, the risk is partly mitigated by the company's association with established global OEMs, geographically diversified end-demand and India's increasing role as a cost-competitive wind equipment manufacturing base. The working capital requirements of the business have remained high, increasing further during FY2026, driven by elongated receivable terms with some customers, higher inventory levels and long production, inspection and customer acceptance cycles, especially in the blade mould business. This has led to considerable increase in working capital borrowings, exerting pressure on the company's debt protection metrics and reducing the liquidity cushion available, even as need-based funding support from MAIL continued to support Indutch's credit profile. Improvement in the working capital cycle during the current fiscal and reduced reliance on external debt will remain key rating monitorable.

The Stable outlook on the long-term rating reflects ICRA's expectation that Indutch will report steady growth in revenue and earnings, without a material increase in its debt levels, supporting its credit profile.

Key rating drivers and their description

Credit strengths

Strong parentage of MAIL – Indutch derives significant financial and strategic support from its parent, Munjal Auto Industries Limited (MAIL), which holds a majority stake in the company. Indutch is expected to remain strategically important to MAIL, given its presence in the renewable energy value chain and the diversification benefits it provides to MAIL's consolidated business profile. The presence of common non-independent directors between MAIL and Indutch also reflects the strategic linkage between the two entities.

Established track record of operations and extensive experience of founding directors in the industry – Indutch benefits from its established operational track record and extensive experience of its founding directors in the composite manufacturing industry, particularly in wind energy applications. The promoters' technical expertise and long-standing industry relationships have enabled the company to establish relationships with reputed WTG OEMs and build a track record of repeat business and contract renewals. This has supported the company's scale-up over the years and strengthened its positioning as a well-established standalone wind turbine blades and mould supplier in a technically complex business.

Reputed client base– Indutch's clientele comprises reputed global WTG OEMs that have established cost-effective manufacturing bases in India, given the highly technical, customised, and labour-intensive nature of blade production. The company operates exclusive facilities for these clients, producing customised blades tailored to their specifications. The current clientele includes reputed names such as Enercon Wind Energy Private Limited (Enercon), Envision Energy India Pvt. Ltd. (Envision), and LM Wind Power Blades (India) Pvt. Ltd. (a General Electric Group company), among others. These clients have made substantial investments in plant and machinery, with Indutch maintaining an asset-light model—owning minimal assets. Additionally, Indutch receives mobilisation or working capital advances from key clients.

Credit challenges

Moderate financial risk profile – Indutch's financial risk profile remains moderate, characterised by relatively high debt levels stemming from elevated working capital requirements and lease liabilities under its asset-light model, leading to moderate coverage indicators. The company's credit metrics have remained constrained by high working capital borrowings and lease obligations, although the operating profitability has largely been sustained in the past two fiscals. The DSCR and Total Debt/OPBITDA have remained moderated at around 1.3x and 4.1x respectively in FY2026 (1.2x and 3.8x respectively in FY2025).

Elevated working capital intensity – Indutch's operations remain working-capital intensive, driven by long production cycles, sizeable inventory and longer lead times including customer inspection and acceptance processes, milestone-based billing and elongated receivable terms in some contracts. The working capital requirements increased in FY2026, reflected in elevated utilisation of fund-based facilities, owing to higher scale of operations, inventory build-up and receivable stretch. Nonetheless, the working capital intensity is expected to improve as the company is focused on improvement in collection efficiency, reduction in inventory holding and accelerated billing milestones.

High customer concentration risk – In FY2026, about 85% of Indutch's revenue was derived from the top 3 customers, with the customer concentration remaining around 75-80% over the past years. This apart, the revenue is concentrated on windmill blades, moulds and allied products. The risk is partly mitigated by the reputed profile of its customers, established technical capabilities, customer-aligned facilities and repeat business relationships. Further, ramp-up with new customers like Vestas Wind Technology is expected to provide some diversification going forward.

Liquidity position: Adequate

Indutch's liquidity profile remains adequate. The average utilisation of sanctioned bank limits stood high at about 95% over the past 13 months ending in May 2026, with an average buffer of about Rs. 5 crore. The entity has scheduled repayments of Rs. 4-6 crore over FY2027-FY2028, along with a planned capex of Rs. 20 crore in FY2027, which is expected to be funded through internal accruals. Additionally, the company also receives funding support from MAIL on a regular basis in the form of unsecured loans as and when required, supporting its liquidity position.

Rating sensitivities

Positive factors – The ratings could be upgraded if the company is able to consistently scale up its operations along with sustenance of healthy margins, leading to improvement in credit metrics and liquidity position. Any improvement in the credit profile of the parent could also trigger a rating upgrade.

Negative factors – The ratings could witness pressure in case of a significant decline in the top line or margins, resulting in material weakening in the credit profile of Indutch. Weakening of the parent's credit profile or linkages may also trigger negative ratings action. Moreover, inability to manage performance/defect warranties, which exert pressure on its credit metrics, may trigger rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	ICRA expects Indutch's parent, MAIL, to extend financial support to Indutch, should there be a need.
Consolidation/Standalone	Standalone

About the company

Established in 2010, Indutch is an ISO 9001 certified manufacturer of composite-based products primarily, wind turbine blades and blade moulds. The company started by doing the job work for manufacturing windmill blades for WTG OEMs. Later, it developed competence in the design and manufacturing of complex contoured composite patterns, moulds, finished products, jigs & fixtures and commissioned a mould manufacturing unit on the outskirts of Vadodara (Waghodia) in FY2021. Currently, the company has various manufacturing facilities, across Vadodara (Halol and Waghodia) and South India (Sullurpeta and Mappedu). Munjal Auto Industries Limited (rated [ICRA]AA-/Stable/A1+) acquired a 68% stake in ICTPL in Q1 FY2019 and became its holding company.

Key financial indicators (audited)

Indutch - Standalone	FY2025	FY2026
Operating income (Rs. crore)	795.8	856.6
PAT (Rs. crore)	8.2	18.8
OPBDIT/OI (%)	10.5%	11.1%
PAT/OI (%)	1.0%	2.2%
Total Outside Liabilities/Tangible Net Worth (times)	15.9	11.7
Total Debt/OPBDIT (times)	3.8	4.1
Interest Coverage (times)	2.8	2.6

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation, Note: All financial ratios as per ICRA's calculation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current year (FY2027)				Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs Crore)	FY2027		FY2026		FY2025		FY2024	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term Loans	Long Term	21.10	July 29, 2026	[ICRA]A- (Stable)	Jul 28, 2025	[ICRA]A- (Stable)	Jul 31, 2024	[ICRA]A- (Stable)	Feb 22, 2024	[ICRA]A- (Negative)
									Jul 20, 2023	[ICRA]A- (Negative)
Cash Credit	Long Term	145.00	July 29, 2026	[ICRA]A- (Stable)	Jul 28, 2025	[ICRA]A- (Stable)	Jul 31, 2024	[ICRA]A- (Stable)	Feb 22, 2024	[ICRA]A- (Negative)
									Jul 20, 2023	[ICRA]A- (Negative)
Non-fund-based bank facilities	Short Term	52.00	July 29, 2026	[ICRA]A2+	Jul 28, 2025	[ICRA]A2+	Jul 31, 2024	[ICRA]A2+	Feb 22, 2024	[ICRA]A2+
									Jul 20, 2023	[ICRA]A2+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term loan	Simple
Long-term – Fund based – Cash credit	Simple
Short-term – 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	Financial Sector Regulator#
NA	Term loans	March 2024	NA	March 2030	21.10	[ICRA]A- (Stable)	RBI
NA	Cash credit	NA	NA	NA	145.00	[ICRA]A- (Stable)	RBI
NA	Non-fund based limits	NA	NA	NA	52.00	[ICRA]A2+	RBI

Source: Company

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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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ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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