

Rating Rationale

February 24, 2026 | Mumbai

PCI Infraprojects Private Limited

Ratings reaffirmed at 'Crisil BBB / Stable / Crisil A3+' ; Rated amount enhanced for Bank Debt

Rating Action

Total Bank Loan Facilities Rated	Rs.412 Crore (Enhanced from Rs.306 Crore)
Long Term Rating	Crisil BBB/Stable (Reaffirmed)
Short Term Rating	Crisil A3+ (Reaffirmed)

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings.

The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has reaffirmed its 'Crisil BBB/Stable/Crisil A3+' ratings on the bank facilities of PCI Infraprojects Pvt Ltd (PIPL).

The ratings continue to reflect the company's established market position, supported by the extensive experience of the promoters in the electric components industry, and comfortable debt protection metrics. These strengths are partially offset by working capital-intensive operations and leveraged capital structure.

Analytical Approach

Unsecured loan of Rs 21.33 crore as on March 31, 2025, has been treated as 75% equity and 25% debt as the loan is expected to remain in the business and is subordinate to external debt.

Key Rating Drivers - Strengths

Established market position, supported by the extensive experience of the promoters: The decade-long experience of the promoters in the electric components industry, their strong understanding of market dynamics, and healthy relationships with customers and suppliers have helped PIPL build diversified clientele across geographies and establish presence in the domestic market. The company manufactures cables and executes engineering, procurement and construction (EPC) contracts for electrification, water supply and solar plants. The diversified offers insulate the company from downturn in any segment. Revenue is estimated to grow at compound annual rate of 40-45% in the three fiscals through 2026 driven by healthy execution of EPC orders which highlights the management capability in execution varied orders in multiple geographies. An order book of over Rs 1,521 crore as of September 2025 provides medium-term revenue visibility, with revenue expected at Rs 350-380 crore in fiscal 2026 (Rs 121 crore as of September 2025). The business risk profile will continue to be supported by the established market position of the company and sustained improvement in revenue, backed by timely execution of orders, which will be monitorable.

Comfortable debt protection metrics: Owing to steady increase in operating profitability with higher revenue contribution from the EPC segment, yielding higher margins has resulted in comfortable interest coverage ratio expected at 6-7 times in fiscal 2026 (~4.5 times in fiscal 2025) and net cash accrual to adjusted debt ratio at 0.4-0.5 time (0.4 time in fiscal 2025, up from 0.27 time in fiscal 2024) over the medium term. Furthermore, with no debt-funded capital expenditure (capex) proposed to be undertaken over the medium term for capacity expansion, interest expense is expected to be moderate leading to improvement in the debt protection metrics.

Key Rating Drivers - Weaknesses

Working capital-intensive operations: Operations of the company have remained working capital intensive as reflected in the GCA of 300 days as against previous estimate of 172 days as of 31st March 2025 driven by high debtor and inventory days owing to increasing share of EPC in the revenue segment which has major execution in Q4 of fiscal. Working capital is also driven by high advances given to suppliers during Q4 of fiscal. Going forward operations shall remain working capital intensive, with gross current assets (GCAs) expected at 280-300 days as on March 31, 2026, driven by receivables of 80-90 days and inventory of 90-100 days, owing to higher execution in Q4 of fiscal under EPC segment. The working capital cycle will remain supported by payables of 90-100 days. With scaling up in business operations and increasing proportion from EPC segment, the efficient working capital management shall remain the key monitorable.

Leveraged capital structure: The net worth was Rs 70 crore as of March 31, 2025, and is expected to increase to Rs 85-90 crore as of March 31, 2026, backed by steady accretion to reserves. The leverage, as indicated by the total outside liabilities to tangible net worth, stood higher at 2.7 times as of March 31, 2025, higher than Crisil Rating's earlier estimate of approximately 2 times, amidst extended credit support that escalated the overall liabilities. While leverage is likely to improve in fiscal 2026, it will be higher compared to Crisil Rating's previous estimates, owing to an increase in the working capital cycle in the EPC segment. The total outside liabilities to tangible net worth (TOLTNW) ratio is expected to be approximately 2.5 times as of March 31, 2026, compared to 1.5 times expected previously. Efficient working capital

management, amidst sustained business growth, leading to the sustenance of the leverage profile, will remain a key rating sensitivity factor over the medium term.

Liquidity Adequate

Bank limit utilisation was moderate at 76% on average in the nine months through October 2025. Net cash accrual, expected at Rs 35-38 crore in fiscal 2026, will sufficiently cover annual debt obligation of Rs 3-4 crore. Cash accrual is expected to increase significantly, supported by steady operating profitability. The promoters have provided support by way of unsecured loan of Rs 21.33 crore as on March 31, 2025.

Internal accrual, cash and equivalent and unutilised bank lines will be sufficient to meet debt obligation and working capital requirement

Outlook Stable

PIPL will continue to benefit from the extensive experience of the promoters and its established relationships with clients.

Rating sensitivity factors

Upward factors

- Increase in revenue and stable operating margin leading to higher cash accrual
- Efficient working capital management leading to better liquidity and financial risk profile, with the TOLTNW ratio at 2-2.2 times

Downward factors

- Decline in operating income or operating margin leading to lower cash accrual
- Further stretch in the working capital cycle or any large, debt-funded capex affecting the financial risk profile, with the TOLTNW ratio over 2.5 times

About the Company

PIPL was incorporated in 2021 as PCI Wires Pvt Ltd and got its current name in October 2023. The company manufactures electrical cables and conductors. Its manufacturing facility is in Jaipur. PIPL undertakes design, engineering, erection, testing and commissioning of high-voltage and extra high-voltage sub-stations and transmission lines, high-voltage distribution systems and feeder separation schemes.

It is owned and managed by Mr Ankit Tayal, Mr Shobhit Sharma, Mr Sumit Tayal and Mr Mohit Sharma.

Key Financial Indicators

Particulars	Unit	2025	2024
Operating income	Rs crore	282.65	204.36
Reported profit after tax	Rs crore	24.86	13.16
PAT margins	%	8.81	6.44
Adjusted Debt/Adjusted Net worth	Times	1.18	1.36
Interest coverage	Times	4.51	2.65

Any other information: Not applicable

Note on complexity levels of the rated instrument:

Crisil Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs. Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Cash Credit	NA	NA	NA	73.00	NA	Crisil BBB/Stable
NA	Non-Fund Based Limit	NA	NA	NA	199.00	NA	Crisil A3+
NA	Overdraft Facility	NA	NA	NA	2.00	NA	Crisil BBB/Stable
NA	Proposed Fund-Based Bank Limits	NA	NA	NA	27.00	NA	Crisil BBB/Stable
NA	Proposed Non Fund based limits	NA	NA	NA	71.00	NA	Crisil A3+

NA	Cash Term Loan	NA	NA	31-Mar-32	10.50	NA	Crisil BBB/Stable
NA	Proposed Term Loan	NA	NA	NA	24.50	NA	Crisil BBB/Stable
NA	Term Loan	NA	NA	31-Mar-26	5.00	NA	Crisil BBB/Stable

Annexure - Rating History for last 3 Years

Current				2026 (History)		2025		2024		2023		Start of 2023
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	142.0	Crisil BBB/Stable		--	23-12-25	Crisil BBB/Stable		--		--	--
			--		--	03-04-25	Crisil BBB/Stable		--		--	--
			--		--	27-03-25	Crisil BBB/Stable		--		--	--
Non-Fund Based Facilities	ST	270.0	Crisil A3+		--	23-12-25	Crisil A3+		--		--	--
			--		--	03-04-25	Crisil A3+		--		--	--
			--		--	27-03-25	Crisil A3+		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	5	The Federal Bank Limited	Crisil BBB/Stable
Cash Credit	5	HDFC Bank Limited	Crisil BBB/Stable
Cash Credit	7	Canara Bank	Crisil BBB/Stable
Cash Credit	21	Punjab National Bank	Crisil BBB/Stable
Cash Credit	35	Bank of Maharashtra	Crisil BBB/Stable
Cash Term Loan	10.5	CSB Bank Limited	Crisil BBB/Stable
Non-Fund Based Limit	20	HDFC Bank Limited	Crisil A3+
Non-Fund Based Limit	49	Canara Bank	Crisil A3+
Non-Fund Based Limit	17.5	CSB Bank Limited	Crisil A3+
Non-Fund Based Limit	25	The Federal Bank Limited	Crisil A3+
Non-Fund Based Limit	60	Bank of Maharashtra	Crisil A3+
Non-Fund Based Limit	27.5	Punjab National Bank	Crisil A3+
Overdraft Facility	2	CSB Bank Limited	Crisil BBB/Stable
Proposed Fund-Based Bank Limits	16.5	Not Applicable	Crisil BBB/Stable
Proposed Fund-Based Bank Limits	10.5	Not Applicable	Crisil BBB/Stable
Proposed Non Fund based limits	71	Not Applicable	Crisil A3+
Proposed Term Loan	24.5	Not Applicable	Crisil BBB/Stable
Term Loan	5	HDFC Bank Limited	Crisil BBB/Stable

Criteria Details

Links to related criteria
Basics of Ratings (including default recognition, assessing information adequacy)
Criteria for manufacturing, trading and corporate services sector (including approach for financial ratios)

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