

PRG International Electricals Private Limited

August 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating1	Rating Action
Long Term Bank Facilities	-	-	Reaffirmed at CARE BB; Stable and withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Ltd. has reaffirmed and withdrawn the outstanding ratings of 'CARE BB; Stable' assigned to the bank facilities of PRG International Electricals Private Limited (PRG) with immediate effect. The above action has been taken at the request of PRG, 'No Objection Certificate' and 'No Dues Certificate' received from the respective banks that have extended the facilities rated by CARE Ratings Ltd.

The reaffirmation to the ratings assigned to the bank facilities of PRG take into cognizance the moderate operational performance as well as the financial risk profile of the company resulting from raw material price fluctuation and the inability of the company to pass on the same to its customers. The ratings are further constrained by the working capital-intensive nature of operations. The ratings also factor in the company's presence in a competitive and fragmented industry coupled with exposure towards foreign exchange fluctuation risk. However, the ratings draw strength from the long-standing experience of promoters in the electrical stamping industry which is reflected by the reputed clientele of the company.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings believes that the entity shall benefit from its reputed clientele as well as the experience of its promoters.

Detailed description of key rating drivers:

Key weaknesses

Moderate Scale of Operations: The total operating income (TOI) of the company witnessed a marginal improvement of 2.37% to ₹311.01 crore in FY25 as against ₹303.82 crore in FY24. The company derives ~45% of its revenue from sale of electrical stampings and laminations to well-established clients such as Havells India Limited (CARE AAA; Stable/ CARE A1+), Crompton Greaves Limited), and CG Power and Industrial Solutions Limited. The balance revenue is contributed by die cast rotors, wound stators, and ceiling fan parts.

Moderate Financial Risk Profile: The capital structure of the company remains moderately leveraged with an overall gearing of 2.28x as on March 31, 2025 (PY: 2.06x) and debt-to-equity of 1.60x (PY: 1.12x). The marginal deterioration was on account of higher reliance on term loans and unsecured borrowings. While the PBILDT margin improved to 7.70% in FY25 (PY: 5.13%), profitability remains susceptible due to fluctuating input prices. Debt coverage indicators continue to remain moderate with PBILDT interest coverage of 1.66x and Total Debt to GCA at 12.16x as on March 31, 2025 (PY: 1.17x and 38.82x respectively).

Working Capital Intensive Nature of Operations: The company's operations remain working capital intensive as reflected by an elongated operating cycle of 69 days in FY25 (PY: 66 days). The collection period increased to 69 days (PY: 60 days) due to continued credit period of 45–90 days to customers, with some exceptions such as ABB India Limited (credit period of up to 180 days). The current ratio improved to 1.27x as on March 31, 2025 (PY: 0.85x), although average utilization of working capital limits remained high.

Exposure to Raw Material Price Volatility and Competitive Industry: The company remains exposed to raw material price volatility, especially steel, aluminum, copper, and nickel, which impacts its profitability due to limited bargaining power. However, the company has now shifted to monthly pricing negotiations with its key clients, which is expected to offer better protection from raw material price fluctuations. Furthermore, PRG operates in a highly competitive and fragmented electrical manufacturing industry marked by the presence of large, organized players as well as numerous small unorganized players, thereby limiting pricing power.

Exposure to Foreign Exchange Fluctuation Risk: The company imports approximately 26% of its raw materials from China (Rs. 66.88 crores), while the products manufactured by the company are sold domestically. Hence the company faces foreign

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exchange fluctuation risk, since there is an absence of any natural hedge. Also, the company does not book any forward contracts. Furthermore, the company booked a foreign exchange gain of Rs.0.11 crores as on March 31, 2024.

Key strengths

Established Clientele albeit revenue concentration risk: The long withstanding of PRG International private limited in the electrical stamping industry has led to the development of an established client base. PRG International does job work for Havells India Limited (CARE AAA; Stable/CARE A1+), Crompton Greaves Consumer Electricals Limited, ABB India Limited. During FY24, PRG International electrical Private limited was generating ~70% of its revenue from its top 5 clients and 83.20% of its revenue from its top 10 clients.

Experienced promoters with long track record of operations: The company is led by Rajeev Goyal who has an experience of more than 30 years in the electrical stamping industry and is supported by a management team of experienced professionals. The company was started by Prem Chand Goel, who was engaged into manufacturing of stamping and lamination from 1978. The promoter and management have long track record of working in the stamping and lamination industry. The company is manufacturing Electrical Stamping & Lamination, Die Cast Rotor and other electrical appliances from 1995. Over the years, PRG has established his name into electrical stamping and lamination industry and has good customer base including Havells India Limited, Crompton Greaves Consumer Electricals Limited, ABB Limited. The promoters of the company were among the first to introduce Schuler presses, leading German electrical machinery in Northern India.

Liquidity: Not applicable

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Diversified	Diversified	Diversified	Diversified

PRG International Electricals Private Limited was established as a partnership firm in 1995 and later converted into a private limited company with effect from April 1, 2007. The company was set up by Mr. Prem Chand Goel, who was engaged into electrical stamping and lamination business from 1978. Later, the company was inherited by Mr. Rajeev Goyal, son of Prem Chand Goel. The unit was set up in New Delhi as a manufacturing and trading concern and is engaged in the manufacturing of electrical stamping & laminations die cast rotor, wound stator, covers top and bottom, its parts and other domestic appliances.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	313.44	303.82	311.01
PBILDT	25.14	15.60	23.96
PAT	4.72	-3.49	2.13
Overall gearing (times)	2.06	2.06	2.28
Interest coverage (times)	2.01	1.17	1.66

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Brickwork has placed the rating assigned to the bank facilities of PRG International Electricals Private Limited into Issuer Not Cooperating category vide their press release dated February 20, 2025, on account of their inability to carry out a review in the absence of requisite information.

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	March 2028	0.00	Withdrawn
Fund-based - LT-Working Capital Limits	-	-	-	-	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/ Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	-	-	1)Withdrawn (27-Apr-22)
2	Fund-based - LT-Cash Credit	LT	-	-	-	-	-	1)Withdrawn (27-Apr-22)
3	Fund-based - ST-Others	ST	-	-	-	-	-	1)Withdrawn (27-Apr-22)
4	Non-fund-based - ST-BG/LC	ST	-	-	-	-	-	1)Withdrawn (27-Apr-22)
5	Fund-based - LT-Working Capital Limits	LT	-	-	1)CARE BB; Stable (31-Jul-25)	1)CARE BB; Stable (04-Sep-24)	1)CARE BB; Stable (01-Nov-23)	-
6	Fund-based - LT-Term Loan	LT	-	-	1)CARE BB; Stable (31-Jul-25)	1)CARE BB; Stable (04-Sep-24)	1)CARE BB; Stable (01-Nov-23)	-

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - LT-Working Capital Limits	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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