

## RR Prestress Industries

February 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	0.92	CARE BB-; Stable	Assigned
Long Term / Short Term Bank Facilities	15.75 (Enhanced from 1.45)	CARE BB-; Stable / CARE A4	Rating removed from ISSUER NOT COOPERATING category and LT rating and Stable outlook assigned and ST rating reaffirmed
Short Term Bank Facilities	15.33	CARE A4	Assigned
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Ratings previously assigned to the bank facilities of RR Prestress Industries (RRPI) were CARE B-; Stable / CARE A4; Issuer Not Cooperating, as the company had not furnished the requisite information for ongoing rating surveillance. In line with the extant SEBI guidelines, CARE Ratings Ltd. (CareEdge Ratings) had reviewed the ratings based on the best available information. Subsequently, the firm has submitted the required information, enabling CareEdge Ratings to undertake a full review. Accordingly, the ratings now stand revised to CARE BB-; Stable / CARE A4.

Revision in ratings assigned to bank facilities of RRPI factors sustained growth in the scale of operations while maintaining moderate profitability.

Ratings assigned to the bank facilities of RRPI continues to remain constrained on account of its moderate capital structure and debt coverage indicators, stretched liquidity and susceptibility of its profitability to fluctuation in raw material prices. Ratings also remained constrained considering capital withdrawal risk inherent to the partnership concern of constitution.

Ratings, however, continue to derive strength from experience of partners and established track record of operations and growing scale of operations.

Ratings assigned to the some of the bank facilities have been withdrawn basis on revision in the sanctioned terms.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Maintaining overall gearing below unity along with augmentation of the tangible net-worth base
- Improvement in total operating income (TOI) above ₹85 crore while maintaining profit before interest, lease, depreciation and tax (PBILDT) margin above 12%.

#### Negative factors

- Decline in TOI below ₹45 crore and moderation in PBILDT margin below 7% on sustained basis.
- Increase in debt level leading to deterioration in capital structure with overall gearing above 3x.

**Analytical approach:** Standalone

#### Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectations that the firm will continue to benefit from the experienced partners and established track record of operations in Pre-Stressed Concrete (PSC) poles manufacturing industry.

### Detailed description of key rating drivers:

#### Key weaknesses

##### Moderate capital structure and debt coverage indicators

The entity's capital structure stood moderate, as marked by an overall gearing of 1.58x and total outside liability to tangible net-worth of 3.48x as on March, 31, 2025 (2.35x and 4.93x respectively as on March, 31, 2024) due to high reliance on debt. The

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

improvement in capital structure on a y-o-y basis as at FY25-end was on account of repayment of unsecured loans and infusion of capital by partners.

Debt coverage indicators stood moderate, as marked by PBILDT interest coverage of 1.41x (FY24: 1.19x) and total debt to gross cash accruals (TD/GCA) of 9.53x (FY24: 11.29x) in FY25.

### **Moderate profitability which is vulnerable to the fluctuation in raw material prices and risk associated with the tender driven nature of business**

The profitability margins of the firm stood moderate marked by PBILDT and profit after tax (PAT) margins of 9.64% (FY24:12.62%) and 0.84% respectively in FY25 (FY24:0.64%). The PAT margin remains thin owing to high interest cost. The firm had GCA of ₹1.99 crore in FY25 (FY24: ₹1.93 crore).

Cement, steel wire, sand and grit etc are the key raw material for RRPI whose prices are governed by demand-supply dynamics and has shown volatility in past few years.

Since the firm secures most of its contracts through a competitive bidding process with fixed-price clauses, its revenue and profitability remain sensitive to its ability to win tenders at favourable prices. This risk is further accentuated by the highly fragmented PSC poles manufacturing industry, characterised by the presence of a few organised players and a large number of unorganised competitors, leading to intense price-based competition.

### **Partnership nature of constitution**

RRPI's constitution as a partnership firm has the inherent risk of possibility of withdrawal of the partners' capital at the time of personal contingency and firm being dissolved upon the death/retirement/insolvency of partners. Moreover, partnership firms have restricted access to external borrowing as credit worthiness of partners would be the key factors affecting credit decision of the lenders. However, during FY25 the partners have infused capital to the tune of ₹2.11 crore.

### **Key strengths**

#### **Experienced management with established track record of operations**

The firm was founded in 2007 by Mr. Rajnikant Khandelwal, who brings over four decades of industry experience. He is supported by his son, Mr. Arjun Khandelwal, who has more than one and a half decades of experience in the sector. Further, he is assisted by the second-tier management who has longstanding presence in the industry and has established relations with customers and suppliers.

#### **Growing scale of operations backed by sales to reputed clientele**

The scale of operations of the firm have shown have grown at CAGR of 25% for past 3 years ended on FY25. For FY25(A), the firm has reported revenue of ₹70 crore as against ₹61 crore for FY24(A). Further, till January 27,2026 the firm has booked revenue of ₹37.10 crore. The partners of the firm have established relationship with reputed clients like Tamil Nadu Electricity Board (TNEB), Maharashtra Electricity Board (MSEDCL), NCC Limited (CARE AA-; Stable/CARE A1+), Ashoka Buildcon Limited (CARE AA- (RWP)/ CARE A1+) etc. Established relations with reputed clientele help the firm fetch repeat orders from them.

#### **Liquidity: Stretched**

RRPI's liquidity position remains stretched on account of tightly marched GCA against its debt repayment obligation and modest cash and bank balance. RRPI has sanctioned working capital limits of ₹8 crore, average utilisation of which, remains high at ~85-90%. As on March 31,2025 free cash and balance remained low at ₹1.38 crore (FY24: ₹0.09 crore).

However, the working capital cycle improved significantly to 21 days in FY25 from 45 days in FY24 and 65 days in FY23, supported by a reduction in the average collection period to 63 days in FY25 from 82 days in FY24. Inventory levels remained moderate, while creditor days remained largely stable. The current ratio stood at 1.51x and the quick ratio at 1.09x as on March 31, 2025 as against current ratio stood at 1.39x and the quick ratio at 0.87x as on March 31,2024. Cash flow from operations remained positive at ₹6.94 crore in FY25, though it moderated from ₹11.60 crore in FY24.

**Assumptions/Covenants:** Not applicable

**Environment, social, and governance (ESG) risks:** Not applicable

### **Applicable criteria**

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)  
[Withdrawal Policy](#)  
[Short Term Instruments](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Other Industrial Products

Jaipur (Rajasthan) based RR Prestress Industries (RRPI) was established in 2007 as a partnership firm by Mr. Rajnikant Khandelwal, Mr. Arjun Khandelwal and Mr. Rakesh Jain. However, during FY19, Mr. Rakesh Jain left the partnership firm. The firm has manufacturing units and branches located across the states of Maharashtra, Bihar, Uttar Pradesh and Tamil Nadu. Overall the firm has 10 branches located across four states. The firm is engaged in the business of manufacturing of pre-stressed concrete (PSC) poles with an installed capacity of 300,000 poles per annum as on March 31, 2025.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Jan 27, 2026 (UA)
Total operating income	61.32	69.93	37.10
PBILDT*	7.74	6.74	NA
Profit after tax (PAT)	0.39	0.59	NA
Overall gearing (x)	2.35	1.58	NA
Interest coverage (x)	1.19	1.41	NA

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

\*PBILDT: Profit before interest, lease rentals, depreciation and tax

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** None

**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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - ST-Bank Overdraft		-	-	-	15.33	CARE A4
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	15.75	CARE BB-; Stable / CARE A4
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn
Term Loan-Long Term		-	-	January 2028	0.92	CARE BB-; Stable

**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-Cash Credit	LT	-	-	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (07-Jan-25)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (18-Oct-23)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (06-Oct-22)
2	Non-fund-based - ST-Letter of credit	ST	-	-	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Jan-25)	1)CARE A4; ISSUER NOT COOPERATING* (18-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (06-Oct-22)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	15.75	CARE BB-; Stable / CARE A4	-	1)CARE A4; ISSUER NOT COOPERATING* (07-Jan-25)	1)CARE A4; ISSUER NOT COOPERATING* (18-Oct-23)	1)CARE A4; ISSUER NOT COOPERATING* (06-Oct-22)
4	Fund-based - ST-Bank Overdraft	ST	15.33	CARE A4	-	-	-	-
5	Term Loan-Long Term	LT	0.92	CARE BB-; Stable	-	-	-	-

\*Issuer did not cooperate; based on best available information.

LT: Long term; ST: Short term; LT/ST: Long term/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-Cash Credit	Simple
2	Fund-based - ST-Bank Overdraft	Simple
3	Non-fund-based - LT/ ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Letter of credit	Simple
5	Term Loan-Long Term	Simple

**Annexure-5: Lender details**

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

**Note on complexity levels of rated instruments:** CareEdge 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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