

Haad Industries Private Limited

March 17, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2.95	CARE BB-; Stable	Assigned
Long Term / Short Term Bank Facilities	27.05	CARE BB-; Stable / CARE A4	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to the bank facilities of Haad Industries Private Limited (HIPL) factor in the modest scale of operations and leveraged capital structure of the company driven by its low net worth base. Ratings take into consideration concentrated customer base, raw material price volatility and competitive industry. However, the ratings draw strength from extensive experience of promoters in the industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Scaling up of operations, with total operating income (TOI) growing over Rs. 100 crores coupled with Profit before interest, lease, depreciation and tax (PBILDT) margin above 9.00% on sustained basis.
- Improvement in solvency position reflected by overall gearing below 2.00 times on sustained basis.

Negative factors

- Deterioration in operational performance of the company marked by PBILDT margin below 5.00% on a sustained basis.
- Deterioration in capital structure marked by overall gearing above 5.00 times.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that HIPL will derive benefit from its experienced promoters.

Detailed description of key rating drivers:

Key weaknesses

Modest scale of operations

TOI grew at a compounded annual growth rate (CAGR) of 83% in the past 5 years ended FY25 (FY refers to April 01 to March 31), however remains modest at ₹59.56 crore in FY25. The company reported TOI of ₹41.34 crore in 11MFY26 (refers to April 01 to February 27). The profitability margins were moderate as marked by PBILDT and profit after tax (PAT) margin of 5.90% and 1.18% respectively in FY25. The profitability margins moderated considering relatively lower value addition and an increase in operating expenses in the year. The scale of operations is expected to improve considering the order book of ₹68.54 crore providing near-term revenue visibility and the company's plan to enter solar projects.

Leveraged capital structure

The entity's capital structure stood leveraged, as marked by an overall gearing of 3.49x as on March 31, 2025 (5.97x as on March 31, 2024) with high reliance on external debt. The total outside liabilities to net worth (TOL/TNW) stood high at 5.5x as on March 31, 2025. Debt coverage indicators stood weak, as marked by PBILDT interest coverage of 1.86x in FY25 (1.61x in FY24) and high total debt to gross cash accrual (TD/GCA) of 9.6x in FY25 (17.52x in FY24). The capital structure is expected to remain leveraged considering the company's plan for enhancement in bank facilities.

Concentrated customer base

In FY25, Haad Industries Private Limited derived 68% of TOI from a single customer. This level of customer concentration presents potential risks, including revenue instability if that key customer reduces orders or discontinues business. The company may face

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

pressure to offer favourable terms to retain clients, which could affect profitability. Expanding and diversifying the customer base would help mitigate risks and support long-term financial resilience.

Raw Material Price Volatility and Competitive Industry Landscape

HIPL faces inherent operational risks arising from volatility in steel and other metal prices, which are key raw materials. Sharp movement in these prices, driven by market conditions or changes in government policy, directly impacts production costs and profitability, as such fluctuations remain beyond the company's control. The Indian construction industry is highly fragmented, with numerous small and mid-sized players and a prevalent sub-contracting-based order procurement process. This results in intense competition, limiting the scale and profitability potential of companies such as HIPL operating in the sector.

Key strengths

Experienced Promoters

HIPL is promoted by Vikas Chandra Srivastava, who holds a Bachelor of Engineering and has over 24 years of experience in the industry. He is supported by Deepti Saxena, who has a Master of Arts and brings 17 years of business experience to the company.

Liquidity: Stretched

The liquidity of the company remains stretched considering tight cushion between projected cash accruals of ₹2 crore and repayment obligations of ₹1.38 crore in FY26. Working capital utilisation remains high at ~90% in the twelve months ending February 2026. The current ratio and quick ratio stood at 1.12x and 0.37x on March 31, 2025. The company is planning to incur capex upgrading machineries. The total project cost is estimated at ₹4 crore and will be funded through term debt of ₹3 crore and promoter's contribution of ₹1 crore.

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](#)

[Short Term Instruments](#)

[Iron & Steel](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Iron & Steel Products

HIPL, based in Lucknow, Uttar Pradesh, was incorporated on December 23, 2015, as a private limited company. HIPL engages in the manufacturing of transmission line towers, substation structures, railway electrification structures, earthing materials, cable trays, RM materials, and telecommunication towers.

As of March 31, 2025, the company operates a manufacturing facility with an installed capacity of 25,000 metric tonne for galvanising and fabrication at Unnao. HIPL works with companies such as Bajaj Electricals Limited, L&T Construction, Reliance Elektrik Works, KEI Industries, and Flowmore Limited.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	11MFY26 (UA) ¹
Total operating income	24.14	59.56	41.34
PBILDT*	2.27	3.51	NA
Profit after tax (PAT)	0.20	0.70	NA
Overall gearing (x)	5.97	3.49	NA
Interest coverage (x)	1.61	1.86	NA

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

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

¹ Refers to period till February 27, 2026

Status of non-cooperation with previous CRA: Not applicable

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	November 2032	2.95	CARE BB-; Stable
Fund-based - LT/ ST-Working Capital Limits	-	-	-	-	27.05	CARE BB-; Stable / CARE A4

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/ ST-Working Capital Limits	LT/ST	27.05	CARE BB-; Stable / CARE A4	-	-	-	-
2	Fund-based - LT-Term Loan	LT	2.95	CARE BB-; Stable	-	-	-	-

LT: Long 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-Term Loan	Simple
2	Fund-based - LT/ ST-Working Capital Limits	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.

Contact us

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