

Pacific Industries Limited

April 06, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term / Short Term Bank Facilities	-	-	Reaffirmed at CARE BBB-; Stable / CARE A3 and removed from Rating Watch with Negative Implications; Stable outlook assigned and Withdrawn
Long Term Bank Facilities	-	-	Reaffirmed at CARE BBB-; Stable and removed from Rating Watch with Negative Implications; Stable outlook assigned and Withdrawn
Short Term Bank Facilities	-	-	Reaffirmed at CARE A3 and removed from Rating Watch with Negative Implications and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has reaffirmed the outstanding ratings of 'CARE BBB-; CARE A3' assigned to the bank facilities of Pacific Industries Limited (PIL) and removed the same from 'Rating Watch with Negative Implications' assigning a 'Stable' outlook; and withdrawn the ratings with immediate effect. The ratings withdrawal has been done at the request of PIL and 'No Objection Certificates' from the banks for facilities rated by CareEdge Ratings

Earlier on September 08, 2025, ratings were placed under watch with negative implications following the imposition of a 50% tariff by the U.S. Government on select imported goods from India, including Quartz stones. The company derives a significant portion of its revenue from exports, with the U.S. being a key contributor to its total operating income (TOI).

Prior to its withdrawal, the ratings continued to derive strength from PIL's experienced promoters with a strong group position, established track record of operations with diversified product portfolio and location advantage, its comfortable capital structure and adequate liquidity.

Ratings also took note of moderation in total operating income (TOI) of company in 9MFY26 with decline in export following imposition of tariff, though with expectations of some recovery in full year, emanating from subsequent reduction in tariffs in Q4FY26. The ratings continue to remain constrained owing to moderation in profitability, moderate debt coverage indicators, susceptibility of profitability to fluctuations in forex exchange and company's presence in a highly competitive industry with prospects linked to cyclical real estate sector.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CARE Ratings) believes that the entity shall continue to benefit from the extensive experience of the promoters in the granite and quartz industry and maintain its financial risk profile.

Detailed description of key rating drivers:

Key strengths

Experienced and qualified management with strong group presence

Jagdish Prasad Agarwal, Chairman and Managing Director of PIL, has more than three decades of experience and looks after overall affairs of the company. He is assisted by. Kapil Agarwal, Executive Director, who has around 15 years of experience in the industry. Further, the promoters are supported by the experienced second-tier management. The company belongs to Udaipur based Geetanjali Group and group concerns include Ojaswi Marbles and Granites Private Limited, Geetanjali Marble, Krishna Marble, Pacific Exports, Pacific Leasing and Research Limited, Yash Processors Private Limited, Pacific Iron manufacturing Limited, Chaitanya international Mineral LLP and Geetanjali University.

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

Established track record of operations and diversified product portfolio

PIL was incorporated in the year 1989 and has a track record of more than three decades in the industry, with established relationships with its customers and suppliers. The company majorly exports its products to USA, Europe, Indonesia, Vietnam as well as Middle East countries.

Over the years, PIL has received various awards and certification, such as "Star Export House" certification from the Ministry of Commerce and Industry, certificate of life member of All India Granite and Stone Association. It also has membership of Centre for Development of Stones and Confederation of Export Unit. Further, the company offers diversified products which includes variety of North Indian and South Indian granites in different styles, color, size and pattern. It has flexibility to manufacture different varieties of quartz slabs by blending resins with quartz and other key materials to get slabs with desired colour, hardness and durability.

Moderate scale of operations

In FY25, TOI of PIL stood moderate at ₹246.08 crore (₹189.46 crore in FY24). In 9MFY26, company reported sales of ~Rs.116 crore, reflecting a significant decline of around 37% from ₹185 crore recorded in 9MFY25. The decline was primarily due to U.S. tariffs being imposed on select Indian imports, including quartz stones, which adversely impacted export volumes given the company's high dependence on the U.S. market. However, with reduction in tariffs subsequently in Q4, the sales are expected to recover to an extent.

Comfortable capital structure with moderate coverage indicators

The capital structure of PIL continues to remain comfortable marked by overall gearing of 0.43x (PY: 0.36) and net worth base of ₹170.41 crore as on March 31, 2025. The debt coverage indicators of the company remained moderate marked by profit before interest, lease rentals, depreciation, and taxation (PBILDT) interest coverage of 2.83x and total debt/gross cash accruals (GCA) of 5.04 years.

Overall gearing and PBILDT interest coverage continued to remain moderate at 0.31x and 2.90x respectively as on September 30, 2025.

Location advantage with ease of availability of raw material and labour

PIL's processing facility of granites is situated in Rajasthan and Karnataka which has the largest reserve of marbles & granites in India accounting of more than 91% of the total marble reserves of the country. There are many units located in the cities of Rajasthan, Karnataka and Andhra Pradesh which are engaged in the business of mining and processing of marbles and granites. Further, skilled labour is also easily available by virtue of it being situated in the marble & granite belt of India.

Key weaknesses**Moderate profitability**

PBILDT margin of the company stood moderate at 7.25% in FY25 (PY: 10.04%). The reduction in margin was due to increased raw material costs and intense competition from other players, which hindered the company's ability to pass on higher prices to its customers. In line with PBILDT margin, profit after tax (PAT) margin moderated to 2.58% in FY25 (PY: 4.83%).

In 9MFY26, despite significant moderation in scale, PBILDT margin stood moderate at 7.61% (largely stable compared to FY25 level), owing to low operating leverage of the company.

Risk associated with susceptibility to fluctuations in foreign exchange

PIL is exposed to foreign exchange fluctuation risk considering that the company generated ~95% of gross sales from export in FY25. The company gets benefit of natural hedge to some extent through import of raw materials though the proportion of imports is very low. Further, the company does not follow any active hedging policy and hence, profitability is vulnerable to fluctuation in raw material prices and forex fluctuations.

Presence in highly competitive industry

Globally, granite production is dominated by China, Brazil, India, Saudi Arabia, Italy and Spain. India has abundant resources of granite, which makes it one of the top three granite producers and one of the top five granite exporters in the world. Geologically, the southern and western belts in India are abundant in granite deposits. Different shades of granites are available in abundance in Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, Maharashtra, Assam, Bihar, Rajasthan, Odisha, Meghalaya and Madhya Pradesh. The presence of vast mineral resources along with increasing demand globally has provided robust growth opportunities to players in the segment. Due to this, the industry is marked with presence of many unorganized players and the granite industry

Liquidity: Adequate

The liquidity of PIL continued to remain adequate marked by low Long-term debt repayment obligations and moderate utilisation of working capital borrowings. Average utilisation of its working capital bank borrowings stood moderate at 60-70% in trailing 12 months. The operating cycle improved to 87 days at FY25 end (133 days at FY24 end), owing to improvement in inventory and receivables days.

PIL had free cash and bank balance of ₹2.70 crore as on March 31, 2025.

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
Consumer Discretionary	Consumer Durables	Consumer Durables	Granites & Marbles

Udaipur (Rajasthan) based Pacific Industries Limited (PIL) was incorporated in 1989 by Mr Jagdish Prasad Agarwal along with other family members and in 2001, the shares of the company were listed on Bombay Stock Exchange.

Initially, PIL was engaged in the business of processing of granite from its processing plant located at Udaipur and Bangalore (Karnataka). Subsequently, to diversify its product portfolio and to cope up with increasing demand of quartz slabs (engineered stone), the company set up a plant in FY20 for manufacturing of quartz slabs in Udaipur. The plants of the company have total installed capacity of 12,000 Tonnes Per Annum (TPA) to process granite and 6,00,000 square meter per annum for quartz slabs. The company sells granite in domestic market as well as export to USA, Europe, Indonesia, Vietnam and Middle East whereas it sells entire quartz slabs and tiles to USA and European countries. To diversify the business operations, PIL has secured an iron ore mining site in the Karauli district of Rajasthan through a bidding auction for a 50-year period. The lease agreement for the same is pending and is expected to be finalized in the next few years.

In FY17, the company formed two wholly owned subsidiaries namely, Gaze Fashiontrade Limited (GFL) and Gist Minerals & Technologies Limited (GMTL). Furthermore, in November 2020, PIL incorporated a wholly owned subsidiary in USA in the name of Taanj Quartz INC for marketing of quartz.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (Prov.)
Total operating income	189.46	246.08	115.93
PBILDT*	19.02	17.85	7.95
Profit after tax (PAT)	9.15	5.25	1.09
Overall gearing (x)	0.33	0.43	NA
Interest coverage (x)	5.17	2.83	2.61

A: Audited Prov.: Provisional, NA: Not Available; Note: these are latest available financial results

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

Status of non-cooperation with previous CRA: Nil

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/ ST-EPC/PSC		-	-	-	0.00	Withdrawn
Non-fund-based - LT-Bank Guarantee		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Forward Contract		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit		-	-	-	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 (08-Apr-25)	1)CARE BBB-; Stable (01-Apr-24)	1)CARE BBB-; Stable (03-Apr-23)	1)CARE BBB-; Stable (05-Apr-22)
2	Fund-based - LT/ST-EPC/PSC	LT/ST	-	-	1)CARE BBB- / CARE A3 (RWN) (08-Sep-25) 2)CARE BBB-; Stable / CARE A3 (08-Apr-25)	1)CARE BBB-; Stable / CARE A3 (01-Apr-24)	1)CARE BBB-; Stable / CARE A3 (03-Apr-23)	1)CARE BBB-; Stable / CARE A3 (05-Apr-22)
3	Non-fund-based - ST-Letter of credit	ST	-	-	1)CARE A3 (RWN) (08-Sep-25) 2)CARE A3 (08-Apr-25)	1)CARE A3 (01-Apr-24)	1)CARE A3 (03-Apr-23)	1)CARE A3 (05-Apr-22)
4	Fund-based - LT-Working capital Term Loan	LT	-	-	1)Withdrawn (08-Apr-25)	1)CARE BBB-; Stable (01-Apr-24)	1)CARE BBB-; Stable (03-Apr-23)	1)CARE BBB-; Stable (05-Apr-22)
5	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	-	1)Withdrawn (03-Apr-23)	1)CARE A3 (05-Apr-22)
6	Non-fund-based - ST-Forward Contract	ST	-	-	1)CARE A3 (RWN) (08-Sep-25) 2)CARE A3 (08-Apr-25)	1)CARE A3 (01-Apr-24)	1)CARE A3 (03-Apr-23)	1)CARE A3 (05-Apr-22)
7	Non-fund-based - LT-Bank Guarantee	LT	-	-	1)CARE BBB- (RWN) (08-Sep-25) 2)CARE BBB-; Stable (08-Apr-25)	-	-	-

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/ ST-EPC/PSC	Simple
2	Non-fund-based - LT-Bank Guarantee	Simple
3	Non-fund-based - ST-Forward Contract	Simple
4	Non-fund-based - ST-Letter of credit	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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