Prabhat Cables Private Limited

July 28, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term Bank Facilities	RBI	70.00	CARE BB+; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to bank facilities of Prabhat Cables Private Limited (PCPL) is constrained by moderate scale of operations and profitability and stretched liquidity. The ratings also factor fragmented customer base with majority of players belonging to unorganised segment, working capital intensive nature of operations PCPL's presence in highly fragmented and competitive industry.

The above rating constraints are partially offset by experienced promotor group and its long-standing relationship with supplier i.e. Polycab India Limited (PIL). The ratings also factor moderate financial risk profile with satisfactory debt coverage indicators.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Growth in scale of operations marked by Total operating Income (TOI) above ₹ 450 crore while maintaining its Profit before Interest, Lease rentals, Depreciation and Taxes (PBILDT) margins on sustained basis.
- Improvement in liquidity position in form of adequate cushion in form of unutilised working capital limits or free cash and cash equivalent.

Negative factors

- Any debt funded Capital expenditure (CAPEX) or increase in working capital intensity leading to moderation in Total outside liability by Tangible networth (TOL/TNW) below 3x on sustained basis.
- Stretch in receivable holding period or pile-up of inventory weakening the liquidity of company.
- Dip in TOI below ₹ 250 crore and decline in PBILDT margin below 3% on sustained basis.

Analytical approach: Standalone

Outlook: Stable.

The 'Stable' outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectations that PCPL shall benefit from extensive experience of promoters and long standing association with PIL as authorised dealer for its wires and cables.

Detailed description of key rating drivers

Key Weaknesses

Moderate scale of operations and profitability

PCPL has reported growth in TOI at Compound Annual Growth Rate (CAGR) of 17% from ₹172 crore in FY22 to ₹ 321 crore in FY26 on back of higher trade volumes as well as improvement in sales realisation. However, owing to product and supplier concentration, the scale of operations has remained moderate. Going forward, PCPL plans to venture into distributorship for FMCG product range manufactured by PIL.

PCPL reported moderate PBILDT margins in range of ~3-4% in FY22-FY24 which improved to ~5% in FY25-FY26 on account of higher discounts and incentives received from PIL with increase in scale of operations and inventory gain due to upward price trend of copper and other metals. Going forward, margins are envisaged to remain range bound at ~4-5%.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Working capital intensive nature of operations

PCPL's operations are working capital intensive in nature, with PCPL holding inventory of around 45-50 days during FY24-26. Around 50% of the customers make advance payment against purchases and for balance customers credit period of 60-90 days is extended. Hence average collection period remained around 45-50 days in FY24-26.

Majority of procurement from PIL is against advance payment resulting into moderate operating cycle of ~80-90 days during FY24-26.

Presence in highly fragmented and competitive industry

Electric supplies trading is a highly fragmented industry with large numbers of organized and unorganized players. Also, on account of the trading nature of business, the entry barriers are low leading to stiff competition for the company. PCPL provides wires and cables to businesses in Building construction, Tele-communication, Power transmission and distribution industries which are prone to economic cyclicality.

Key Strengths

Experienced promotors and established track record of operations

PCPL, erstwhile known as Prabhat Electricals has been engaged in trading of electric equipment since more than 6 decades. The operations of PCPL are currently led by Mr. Manoj Kacharia having more than three decade of experience in this industry. He is ably supported by his two sons Mr. Rikin Kacharia and Mr. Viral Kacharia who have an established track record of more than a decade in cable and wire distributorship business. The promotors are also supported by a team of professionals to look after day-to-day operations of the entity.

Long standing relationship with reputed supplier Polycab India Limited; albeit fragmented customer base with majority of players belonging to unorganised segment

PCPL is authorised distributor of Polycab India Limited and has long standing relationship with PIL since more than 2 decades. PCPL stocks and trades in entire range of wires and cables including Copper armoured cables, Flexible Cables, Aluminium armoured cables, Instrument cables and industrial cables which are manufactured by PIL.

These wires and cables are supplied to diverse customer base; majorly retailers, sub dealers and industries belonging to unorganised segment. Top 10 customers contributed ~15% to TOI of PCPL.

Moderate financial risk profile and satisfactory debt coverage indicators

PCPL's financial risk profile is moderate marked by overall gearing and TOL/TNW of 1.48x and 2.01x respectively as on FY26 end (PY: 2.07x and 2.35x respectively). During FY27, PCPL has availed term debt in form of ECLGS of Rs. 9.6 crore. Nevertheless, with accretion of profits to reserves, the overall gearing is envisaged to remain stable going forward.

Also, PCPL's has satisfactory debt coverage indicators marked by Interest coverage and TD by PBILDT of 3.79x and 2.95x as on FY26 end (PY: 2.92x and 4.19x respectively).

Liquidity: Stretched

The working capital limit utilisation of PCPL remained high at ~94% during past 12 months ended February 2026. PCPL reported negligible free cash and bank balance of Rs. 0.75 crore as on March 31, 2026.

However, going forward, liquidity position is envisaged to improve on account of enhancement in WC limits by Rs. 12 crore in June 2026 and availment of ECLGS of Rs. 9.6 crore which will be utilised for meeting working capital requirements. The Gross cash accruals (GCA) is envisaged to be in range of 10-13 crore in FY27-29 against repayment obligation of ~Rs.2-3 crore.

PCPL reported current ratio of 1.36x as on FY26 end (Py: 1.28x)

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Wholesale Trading

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Aluminium, Copper & Zinc Products

Incorporated in 2010, Prabhat Cables Private Limited is an authorised distributor for Polycab India Limited for Copper armoured cables, Flexible Cables, Aluminium armoured cables, Instrument cables and industrial cables having end use in Building construction, Tele-communication, Power transmission and distribution industries.
PCPL, promoted by Mr. Manoj Kacharia and his sons Mr. Viral Kacharia and Mr. Rikin Kacharia.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	236.73	321.78
PBILDT	11.88	16.54
Profit after tax (PAT)	5.94	8.91
Overall gearing (x)	2.07	1.48
Interest coverage (x)	2.92	3.79

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

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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	RBI	Simple	-		-	-	60.40	CARE BB+; Stable
Term Loan-Long Term	RBI	Simple	-		-	30-06-2031	9.60	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 2026-2027	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
1	Term Loan-Long Term	LT	9.60	CARE BB+; Stable				
2	Fund-based - LT-Cash Credit	LT	60.40	CARE BB+; Stable				

LT: Long term

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

Annexure-4: 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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