

Press Release
KATYAINI PRODUCTS PRIVATE LIMITED
January 13, 2026
Rating Reaffirmed



Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	4.70	ACUITE BBB- Stable Reaffirmed	-
Bank Loan Ratings	29.30	-	ACUITE A3 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	34.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of 'ACUITE BBB-' (read as ACUITE Triple B minus) and its short-term rating of 'ACUITE A3' (read as ACUITE A three) on the Rs. 34.00 crore bank facilities of Katyaini Products Private Limited (KPPL). The outlook is 'Stable'.

Rationale for rating

The rating reaffirmation reflects moderation in revenues and stable profitability, supported by an above-average financial risk profile marked by moderate net worth, low gearing, and comfortable debt protection metrics. The rating is further strengthened by healthy liquidity and the company's long-standing track record in CRGO laminations and transformer manufacturing. However, the rating is constrained by moderately intensive working capital operations and susceptibility of profitability to volatility in raw material prices in an intensely competitive industry.

About the Company

Katyaini Products Private Limited (KPPL), incorporated in 1998 and based in Jaipur, Rajasthan. The company is engaged in the manufacturing of transformer laminations and core assemblies, PT laminations, CRGO electrical coils, and CRGO toroidal coils. The operations are managed by its Managing Director, Mr. Rahul Kathotia, along with other directors. KPPL operates from its manufacturing facility located in Jaipur.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of Katyaini Products Private Limited (KPPL) to arrive at this rating.

Key Rating Drivers

Strengths

Established presence in the industry with considerable experience of promoters

Katyaini Products Private Limited (KPPL), incorporated in 1998 and based in Jaipur, Rajasthan. The company is engaged in the manufacturing of transformer laminations and core

assemblies, PT laminations, CRGO electrical coils, and CRGO toroidal coils. The management of KPPL has experience of more than two decades in the aforementioned line of business,

which helps the company in building its sales and procurement network. Acuite believes that KPPL will continue to benefit from its experienced management and established relationships with its customers.

Modest Scale of operation

The company reported a marginal improvement in operating scale, with revenue rising to Rs. 203.42 crore in FY2025 as against Rs. 201.03 crore for FY2024. Additionally, the company registered revenue of Rs. 123.63 Cr. during the 8MFY2026 as compared to Rs 142.60 Cr. in 8MFY2025. The operating margin improved to 10.23 percent in FY2025 as against 10.17 percent in FY2024 and the PAT margin improved to 6.97 percent in FY2025 compared to 6.78 percent in FY2024. The improvement in the margins is driven by increased emphasis on power transformers and industrial transformers. The company has a steady order book position of Rs. 120.47 Cr. as of 30th November 2025. Acuite believes that the scale of operations may continue to remain modest in the medium term backed by a steady order book position and demand prospects for the power system equipments.

Financial Risk Profile –Above Average

Katyaini Products Private Limited (KPPL) has above average financial risk profile marked by moderate net worth and strong debt protection metrics and low gearing. KPPL's net worth stood at Rs. 43.01 Cr. as on 31st March 2025 as against Rs. 28.82 Cr. as on 31st March 2024 due to accretion to reserve. The company follows conservative leverage policy. The Gearing levels (debt to-equity) improved and stood below unity at 0.28 times as on March 31, 2025, as against 0.34 times in FY2024. Improvement in Gearing Ratio in FY2025 is on account of no usage of short-term debt and profit accretion. Further, the interest coverage ratio (ICR) stood at 12.51 times for FY2025 as against 12.77 times in FY2024. Likewise, Debt Service coverage ratio (DSCR) improved and stood at 9.29 times for FY2025 as against 9.26 times in FY2024. Total outside liabilities to total net worth (TOL/TNW) stood at 0.92 times as on FY2025 vis-à-vis 1.54 times as on FY2024. Debt-EBITA improved and stood at 0.57 times as on 31st March 2025 as against 0.47 times as on 31st March 2024. The Net Cash Accruals to Total debt stood at 1.22 times as on FY2025 and 1.49 times for FY2024. The financial risk profile of the company is expected to improve and remain comfortable in medium terms, as the company do not have any large capex plan in the medium term.

Weaknesses

Moderately intensive working capital operations

The company has intensive working capital requirements as evident from gross current assets (GCA) of 127 days in FY2025 as compared to 115 days in FY2024. Debtor days improved and stood at 55 days in FY2025 as against 76 days in FY2024 due to efficient collection mechanisms adopted by the Company. Inventory days increased to 34 days in FY2025 as against 23 days in FY2024. Creditor days stood at 57 days in FY2025 as against 70 days in FY2024. The Fund based working capital limits are utilized at 8.46 percent during the last six months ending November 2025 while non-fund-based limits utilization is 48.02 percent during last 06 months ending November 2025. Acuite believes that the operations of the Company would continue to remain moderately working capital intensive due to nature of business.

Challenges faced by Transformer Manufacturers in India

Transformer manufacturers in India face a range of complex challenges that hinder their operating efficiency and growth potential. One of the primary concerns is the volatility in the prices and availability of key raw materials such as copper, aluminium and cold rolled grain oriented (CRGO) steel which directly impacts production costs. The industry is also highly competitive with pressure from both domestic and international manufacturers, leading to aggressive pricing and shrinking profit margins. Many manufacturers operate with outdated technology and machinery which limits product quality and innovation capabilities. Furthermore, there is a persistent shortage of skilled technical personnel making it difficult to maintain consistent manufacturing standards. Compliance with increasingly stringent regulatory and energy efficiency norms is the operational burden. In addition, delayed payments from state electricity boards and public sector clients often lead to working capital

constraints, disrupting the timely execution of projects. These challenges collectively create a difficult environment for sustainable growth and long-term competitiveness in both domestic and export markets.

Rating Sensitivities

- Substantial improvement in scale of operations and profitability
- Significant improvement in working capital management
- Significant increase in debt levels impacting the financial risk profile.

Liquidity Position

Adequate

The Company has adequate liquidity marked by net cash accruals (NCA) of Rs. 14.91 crore for FY2025 as against obligations of Rs. 0.07 crores for the same period. The expected net cash accruals in the FY2026 will be in the range of Rs. 14.00 to Rs. 15.00 Cr. and no debt repayment obligation will also support the liquidity of the company over the same period. The current ratio stood at 2.58 times as on 31 March 2025 as against 1.82 times in the previous year. The Fund based working capital limits are utilized at 8.46 percent during the last six months ended November 2025 while non-fund-based limits utilization is 48.02 percent during last 06 months ending November 2025 leaving additional cushion to meet the contingencies in near future. The Cash and Bank Balances of company stood at Rs 13.97 crores in FY2025 as against Rs 7.62 crore in FY2024.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	203.42	201.03
PAT	Rs. Cr.	14.19	13.64
PAT Margin	(%)	6.97	6.78
Total Debt/Tangible Net Worth	Times	0.28	0.34
PBDIT/Interest	Times	12.51	12.77

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
15 Oct 2024	Bills Discounting	Short Term	3.00	ACUITE A3 (Upgraded from ACUITE A4+)
	Letter of Credit	Short Term	26.30	ACUITE A3 (Upgraded from ACUITE A4+)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Proposed Long Term Bank Facility	Long Term	0.70	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
18 Jul 2023	Bills Discounting	Short Term	3.00	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	12.30	ACUITE A4+ (Reaffirmed)
	Letter of Credit	Short Term	14.00	ACUITE A4+ (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)
	Cash Credit	Long Term	1.00	ACUITE BB+ Stable (Assigned)
	Term Loan	Long Term	0.70	ACUITE BB+ Stable (Upgraded from ACUITE BB Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Federal Bank Limited	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE A3 Reaffirmed
Federal Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BBB- Stable Reaffirmed
Federal Bank Limited	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	26.30	Simple	ACUITE A3 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.70	Simple	ACUITE BBB- Stable Reaffirmed

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Ritika Lalwani Analyst-Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.