



Press Release
PBI INDIA PRIVATE LIMITED
October 24, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	143.14	ACUITE BBB Negative Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	143.14	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on the Rs. 143.14 crore bank facilities of PBI India Private Limited (PIPL). The outlook is revised from '**Stable**' to '**Negative**'.

Rationale for rating reaffirmation

The revision in outlook to 'Negative' reflects the weakening of company's financial risk profile in FY2025, driven by a sharp decline in operating margins due to elevated input and logistics costs. Net losses and increased debt from recent capex have further strained coverage metrics. The rating continues to factor in the inherent risks of the flour milling industry, including margin volatility, regional concentration, and competitive pressures. However, it draws comfort from the company's established operational track record, experienced promoters, and stable revenues supported by capacity expansion. The company's ability to generate adequate profitability and thereby improving financial risk profile and liquidity remain key monitorable.

About the Company

PBI India Private Limited (PIPL) was incorporated in 1980, runs a flour mill at Jammu & Kashmir and sells wheat and wheat products in Jammu & Kashmir and Punjab. The company, promoted by Mr. Sanjay Puri, Mrs. Anjali Puri, Mr. Archit Puri and Mr. Shubham Puri has an installed capacity of approximately 1422166 Quintals per annum. The company manufactures flour and flour products such as atta, bran, maida, sooji, besan and dalia and sells the same under the 'PMark' brand name in Jammu & Kashmir and Punjab. It also provides tanker transportation services for Indian Oil Limited, carrying the petroleum products.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of PIPL to arrive at the rating.

Key Rating Drivers

Long track record of operations and experienced management

PIPL was incorporated in 1980 by Mr. A. K. Puri, Mr. Sanjay Puri, and Mrs. Anjali Puri. Currently, the company is managed by Mr. Sanjay Puri, Mrs. Anjali Puri, Mr. Archit Puri, and Mr. Shubham Puri, who together have over three decades of experience in the business. This experience has helped PIPL build strong, long-term relationships with its customers and suppliers. PIPL sources its raw materials such as wheat from the Food Corporation of India (FCI) and other raw materials like split chickpeas (chana dal) for besan from local farmers in Punjab. The company mainly sells its products to local wholesalers. Acuite believes that PIPL will continue to use its management's experience to maintain and further develop healthy relationships with its customers and suppliers.

Efficient Working Capital Management

Working capital management continues to be efficient, there has been a slight improvement in the working capital cycle. Gross Current Assets (GCA) stood at 61 days in FY2025 (Provisional), marginally lower than 64 days in FY2024. The inventory holding period decreased to 28 days from 34 days, primarily due to stocking requirements used for the new unit. However, the receivables cycle remained efficient, with debtor days at 29 days in FY25 (prov.) slightly 27 days in the previous year. Further, the bank limit utilisation stood moderate at ~75 per cent for six months ending September 2025. Acuite expects working capital operations to remain stable over the medium term, supported by an efficient collection mechanism and controlled inventory levels. The company's ability to maintain low debtor days and manage inventory effectively continues to support its liquidity and operational efficiency.

Weaknesses

Consistent growth in revenues albeit subdued profitability

The company has continued improvement in its revenues which stood at Rs. 581.67 Cr. in FY2025 (Prov.) from Rs. 430.54 Cr. in FY2024, marking a growth of approximately 35.10 per cent. This increase is driven by higher price realizations and volume growth, supported by the commissioning of a new flour mill unit in February 2024. The expansion has enabled the company to cater to increased demand and improve production efficiency. The operating profit margin has declined to 1.58 per cent in FY2025 (Prov.) from 4.93 per cent in FY2024. The decline is attributable to increase in raw material employee cost and selling expenses (this mainly includes vehicle maintenance & loading expenses) as a per cent of sales. Further for 5MFY2026 the company has generated revenue of Rs. 274.25 Cr. while EBITDA margin stood at ~4 per cent. Company reported PAT level losses to the tune of Rs. 6.61 Cr mainly due to higher depreciation costs in FY25 as the capex made for flour mill got operational in March 2024.

Moderate Financial Risk Profile

The financial risk profile of the company remains moderate, supported by a healthy increase in net worth and stable gearing levels. The tangible net worth declined to Rs. 54.93 Cr. as on March 31, 2025 (Prov) from Rs. 61.54 Cr. in the previous year, primarily due to losses of current year of Rs.6.61 Cr. The total debt of the company stood at Rs. 111.13 Cr. in FY2025 (prov.) and Rs. 108.35 Cr. in FY2024. The total debt comprises of Rs. 33.19 Cr. long term debt, Rs. 6.35 Cr. USL from directors, Rs. 63.93 Cr. short term debt and Rs. 7.66 Cr. current portion of long-term debt. Gearing deteriorated marginally and stood at 2.02 times as on March 31, 2025 as compared to 1.76 times as on March 31, 2024, indicating prudent debt management. The Total Outside Liabilities to Tangible Net Worth (TOL/TNW) ratio improved to 2.47 times from 1.90 times, reflecting a stronger capital base. Debt protection metrics also deteriorated with the Interest Coverage Ratio (ICR) stood at 1.73 times as compared to 6.43 times respectively in FY25 (prov.) and Debt Service Coverage Ratio stood at 0.84 times and 2.86 times respectively in FY24. The company continues to benefit from financial support extended by the promoters through unsecured loans, which adds to its financial flexibility.

Fragmented and competitive industry buoyed by geographical concentration risk

Jammu & Kashmir continues to be the company's key market, which is expected to continue in the future also exposing it to geographical concentration risk. The Indian flour milling industry is highly fragmented with organized and small regional players. Local mills are facing

competition from branded packaged atta manufacturers due to increased awareness of hygiene and convenience. The market comprises a few national players, a large number of regional players, and private-label brands with varying geographical presence. Multiple players in the segment selling a commoditized product limit the pricing capability of the company.

Rating Sensitivities

- Ability to scale up operations in commensurate with the capacity addition while improving profitability.
- Any significant elongation in working capital operations.
- Change in financial risk profile

Liquidity Position Adequate

The company's liquidity position stood sufficient. The company generated cash accruals of Rs. 8.09 Cr. in FY2025 (prov.) against repayment obligations of Rs. 11.47 Cr. The repayment obligation will be funded through unencumbered cash and bank balances. For FY2026 and FY2027, the company is expected to generate Rs. 14 to 17.5 Cr. cash accruals against repayment obligations of Rs. 6.93 Cr. The increase in accruals is expected to support the commencement of repayment for the term loan taken for capex. The fund-based limits remained moderately utilised at ~75 per cent over the six months ended September 2025. The current ratio stood at 1.03 times as on March 31, 2025 (prov.), compared to 1.08 times in the previous year. Overall, the company is expected to maintain an adequate liquidity position, supported by steady accruals and efficient working capital management.

Outlook: Negative

Other Factors affecting Rating None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	581.67	430.54
PAT	Rs. Cr.	(6.61)	12.43
PAT Margin	(%)	(1.14)	2.89
Total Debt/Tangible Net Worth	Times	2.02	1.76
PBDIT/Interest	Times	1.73	6.43

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, Acuite 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
07 Aug 2024	Term Loan	Long Term	46.97	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	40.00	ACUITE BBB Stable (Assigned)
	Stand By Line of Credit	Long Term	3.60	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	29.00	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	1.57	ACUITE BBB Stable (Assigned)
	Working Capital Demand Loan (WC DL)	Long Term	2.16	ACUITE BBB Stable (Assigned)
	Working Capital Demand Loan (WC DL)	Long Term	19.84	ACUITE BBB Stable (Reaffirmed)
09 Nov 2023	Cash Credit	Long Term	29.00	ACUITE BBB Stable (Reaffirmed)
	Stand By Line of Credit	Long Term	3.60	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	51.75	ACUITE BBB Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	15.06	ACUITE BBB Stable (Reaffirmed)
11 Aug 2022	Proposed Short Term Bank Facility	Short Term	0.18	ACUITE A3+ (Assigned)
	Stand By Line of Credit	Long Term	3.60	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	0.58	ACUITE BBB Stable (Reaffirmed)
	Covid Emergency Line.	Long Term	5.30	ACUITE BBB Stable (Reaffirmed)
	Warehouse Receipt Financing	Long Term	10.00	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	41.07	ACUITE BBB Stable (Reaffirmed)
	Term Loan	Long Term	9.68	ACUITE BBB Stable (Assigned)
	Cash Credit	Long Term	29.00	ACUITE BBB Stable (Reaffirmed)
20 Apr 2022	Cash Credit	Long Term	27.65	ACUITE BBB Stable (Reaffirmed)
	Cash Credit	Long Term	1.35	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	1.50	ACUITE BBB Stable (Reaffirmed)
	Stand By Line of Credit	Long Term	3.60	ACUITE BBB Stable (Reaffirmed)
	Warehouse Receipt Financing	Long Term	50.00	ACUITE BBB Stable (Assigned)
	Covid Emergency Line.	Long Term	5.45	ACUITE BBB Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	29.00	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.91	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative
State Bank of India	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.60	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Sep 2030	40.63	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative
State Bank of India	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE BBB Negative Reaffirmed Stable to Negative

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Anuja Bele Associate 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.