

May 29, 2026

Yamuna Power & Infrastructure Limited: Long-term rating downgraded to [ICRA]BB (Stable); short-term rating reaffirmed at [ICRA]A4+

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based Cash Credit	15.00	7.00	[ICRA]BB (Stable); Long-term rating downgraded from [ICRA]BB+ (Stable)
Short-term non-fund-based Others	21.16	15.00	[ICRA]A4+; reaffirmed
Long-term/Short-term - Unallocated Limits	4.28	18.44	[ICRA]BB (Stable)/[ICRA]A4+; Long-term rating downgraded from [ICRA]BB+ (Stable), short term rating reaffirmed
Total	40.44	40.44	

*Instrument details are provided in Annexure II

Rationale

The long-term rating downgrade of Yamuna Power & Infrastructure Limited (YFIL) is primarily driven by revision in ICRA's analytical approach to rely solely on the standalone financial and operational profiles of YFIL due to unavailability of updated consolidated financial information and limited near-term visibility on the performance of its promoter group entity, Yamuna Cable Accessories Pvt. Ltd. (YCAPL).

The ratings remained constrained by the company's moderate scale of operations, as reflected by a revenue of around Rs. 33.5 crore in FY2026 (estimated), which is expected to remain range-bound over the near-to-medium term. This limits the company's ability to derive benefits of economies of scale and continues to weigh on its competitive position in a fragmented industry. The rating is further constrained by the susceptibility to product certification and quality-related risks, given that the company is yet to obtain the required certifications for its products. ICRA understands that the certification process is likely to take additional time, exposing the company to execution and market acceptance risks in the interim. Additionally, the ratings factor in the company's stretched working capital cycle, characterised by high inventory days and elongated receivable days due to delays in collections from state electricity boards. The company's profitability also remains exposed to volatility in key raw material prices, given the limited ability to fully pass on cost escalations. Moreover, the company operates in a highly competitive electrical equipment industry, marked by intense competition and aggressive pricing strategies by peers, which exerts pressure on margins and limits pricing flexibility.

The ratings, however, continue to draw comfort from the extensive experience of the promoters and the established track record of YFIL in the manufacturing and trading of electrical equipment. The credit profile is further supported by the company's modest reliance on external debt and its adequate liquidity position. ICRA notes a marginal recovery in the company's expected operating performance in FY2026, with steady growth in revenues supported primarily by an increase in product volumes. YFIL's revenues and margins were adversely impacted during FY2023-FY2025 owing to its inability to bid for new orders due to the non-availability of requisite certifications for key products mandated by Government entities. While the company has initiated the process for obtaining required certifications, the absence of the same has constrained order inflows during the aforementioned period.

The Stable outlook on the long-term rating reflects ICRA's opinion that the company will continue to benefit from the conservative capital structure and comfortable net cash accruals relative to the debt service obligations, despite rangebound revenue growth in the near-to-medium term.

Key rating drivers and their description

Credit strengths

Experienced promoters with proven track record of the company in electrical equipment industry – YPIL has been involved in manufacturing and trading of power transmission equipment (like composite polymeric insulators, vacuum circuit breakers and accessories) business for over four decades. Experienced promoters, along with an established track record, help the company maintain good relationships with stakeholders across the value chain.

Adequate capitalisation and liquidity profile – YPIL's capital structure remains comfortable with a gearing of around 0.1 times as on March 31, 2025, supported by low debt levels and comfortable tangible net worth, despite incurring operating losses in the last four years (FY2022-FY2024). The gearing is expected to remain comfortable in the near term as well in the absence of any major debt raising plan. The company's funding requirement is limited to working capital and non-fund based facilities (letter of credit and bank guarantee), which are moderately utilised. Further, the liquidity is supported by free cash and an investment balance of around Rs. 11 crore as on March 31, 2026.

Credit challenges

Moderate scale of operations; vulnerable to product certification/quality related risks – YPIL's scale of operations remains moderate relative to large-sized players in the electrical equipment industry, which constrains its ability to derive benefits of economies of scale and limits its competitive positioning vis-à-vis established entities. Notwithstanding these constraints, the company reported an operating income of around Rs. 33.5 crore in FY2026 (estimated), reflecting a healthy growth of around 46% over the previous year, primarily driven by an increase in sales volumes. However, the overall scale continues to remain moderate in absolute terms. The company's performance in FY2024 was adversely impacted due to its inability to bid for and secure new orders following the introduction of a mandatory certification requirement for its key product by Government entities. ICRA notes that the certification process is still underway, and any further delay is likely to continue to constrain the company's revenue profile and profitability in the near term.

Elongated receivable cycle – The receivable days of the company remained high due to delays in payments from the state electricity boards/entities, which remain its biggest customer. State power distribution utilities have longer payment cycles due to various inspection formalities and long approval timelines.

Susceptible to variation in raw material prices and intense competition in the industry – The margins of the company are largely affected by raw material price fluctuations, which impact sales realisations and profitability. The procurement cost of key raw materials accounts for 45-55% of net sales. Further, in the absence of price variation clauses in the contracts, the company remains sensitive to fluctuation in raw material prices. Moreover, the Group encounters stiff competition in the fragmented power transmission equipment manufacturing and trading industry, limiting its pricing flexibility and bargaining power with customers, thereby exerting pressure on its revenues and margins.

Liquidity position: Adequate

The company's liquidity position is Adequate on the back of free cash and investment balance of around Rs. 11 crore as on March 31, 2026, and 40-45% cushion available in the form of undrawn working capital limits (for average of last 12 months ending in March 2026). Further, there are no major capex plans of the company, besides nominal maintenance capex. Additionally, the external debt remains almost nil, resulting in no major debt servicing obligation. Thus, the company's cash flows and parked liquidity will be adequate to meet its debt servicing obligations in the near-to-medium term. However, managing the working capital cycle, especially the receivable period, will be key to maintaining its liquidity position at adequate levels and will remain a key monitorable.

Rating sensitivities

Positive factors – ICRA could upgrade the ratings if the company demonstrates a significant increase in its revenue and earnings, along with an improvement in its working capital intensity and debt protection metrics on a sustained basis.

Negative factors – Pressure on the ratings could arise if there is a decline in the company’s revenue and earnings and/or a stretch in the working capital cycle, leading to a deterioration in debt protection metrics and liquidity on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	None
Consolidation/Standalone	The ratings are based on the standalone financials of YPIL.

About the company

YPIL was set up in 1973 by Mr. Shyam Sunder Sardana. It undertakes manufacturing and trading of power transmission equipment like composite polymeric insulators, vacuum circuit breakers (VCBs), cable jointing kits (manufactured by its Group company, YCAPL; a part of the export orders of YCAPL is routed through YPIL) and accessories, which are sold under the brand name, Yamuna Densons. The company was named Yamuna Gases and Chemicals Limited, which was renamed later in 2007. The company’s plants are located at Yamuna Nagar (Haryana), Halol (Gujarat) and Kolkata (West Bengal).

Key financial indicators (audited)

YPIL – Standalone	FY2024	FY2025
Operating income	25.3	22.9
PAT	-1.3	-1.7
OPBDIT/OI	-10.4%	-10.9%
PAT/OI	-5.2%	-7.6%
Total outside liabilities/Tangible net worth (times)	0.4	0.3
Total debt/OPBDIT (times)	-2.6	-1.9
Interest coverage (times)	-4.0	-4.4

Source: Company, ICRA Research; All ratios as per ICRA’s calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2027)				Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	May 29, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based Cash Credit	Long-term	7.00	[ICRA]BB (Stable)	-	-	Feb 28, 2025	[ICRA]BB+ (Stable)	30-Nov-2023	[ICRA]BB+ (Stable)
Non-fund-based Others	Short-term	15.00	[ICRA]A4+	-	-	Feb 28, 2025	[ICRA]A4+	30-Nov-2023	[ICRA]A4+
Unallocated Limits	Long-term/Short-term	18.44	[ICRA]BB (Stable)/[ICRA]A4+	-	-	Feb 28, 2025	[ICRA]BB+ (Stable)/[ICRA]A4+	30-Nov-2023	[ICRA]BB+ (Stable)/[ICRA]A4+

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI

4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term fund-based Cash Credit	Simple
Short-term non-fund-based Others	Simple
Long-term/Short-term -Unallocated Limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Fund-based Cash Credit	NA	NA	NA	7.00	[ICRA]BB (Stable)
NA	Non-fund-based Others	NA	NA	NA	15.00	[ICRA]A4+
NA	Unallocated Limits	NA	NA	NA	18.44	[ICRA]BB (Stable)/[ICRA]A4+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis: Not Applicable

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