

Pravin Electricals Private Limited

Instrument	Amount (Rs. Crore)	Rating Action
Long Term, Fund Based – Cash Credit	7.00	[ICRA]BB (stable)/ assigned
Short term, Non-Fund Based	3.00	[ICRA]A4+/ assigned
TOTAL	10.00	

ICRA has assigned a long term rating of [ICRA]BB (pronounced ICRA double B) to the Rs. 7.00 crore¹ cash credit facilities of Pravin Electrical Private Limited ('PEPL' or the 'company')². ICRA has also assigned a short term rating of [ICRA]A4+ (pronounced ICRA A four plus) to the Rs. 3.00 crore non-fund based facilities of PEPL. The outlook on the long term rating is 'stable'.

The assigned rating takes into account the long standing experience of promoters in the electrical contracting industry, the strong project execution skills and the reputed customer base. ICRA also notes the strong order book position which offers revenue visibility for the next three fiscals although timely execution and realisation of payments remain critical. The company is relatively insulated from cyclicity of the real estate sector given the diversified customer base across various segments. PEPL also enjoys a modest financial profile characterised by low gearing and healthy coverage indicators.

The rating is however constrained by the significantly high debtor days and the tight liquidity position as reflected in high utilisation of bank limits. ICRA also notes the susceptibility of profitability to any sharp rise in the price of raw materials given the absence of price variation clause in contracts. The company operations are labour intensive and the mobilisation of semi-skilled electrical workers continues to be a challenge. ICRA also notes the highly fragmented industry structure with the presence of large number of electrical contractors leading to competitive pressures.

Company Profile

Pravin Electricals Private Limited ('PEPL' or 'the company') was set up by Mr. M.G. Philip who has over thirty years of experience in electrical contracting industry. Until 1999, the company operations were carried out through a proprietorship firm in the name of Mr. M.G. Philip. PEPL was incorporated in 2000 and the business operations of the firm were taken over by the company. The company is 100% owned by the promoter family.

The company is primarily engaged in design, supply, installation, testing and commissioning of electrical installation projects. The company caters to companies across various segments like residential, commercial, infrastructure and industrial among others. The company is ISO 9001:2008 certified and has a pan India presence with branch offices across eight locations in India. PEPL offers services including complete HT (High Tension) and LT (Low Tension) electrical installations, lighting, earthing, telephone and intercom systems, security and access control, fire detection and alarm systems, closed circuit TV surveillance and integrated building management systems.

Recent results

As per its audited results for FY2015, PEPL reported Profit after Tax (PAT) of Rs. 3.74 crore on an Operating Income (OI) of Rs. 181.90 crore.

July 2016

¹ Rs. 100 Lakh = Rs. 1 Crore = Rs. 10 million

² For complete rating scale and definitions, please refer to ICRA's website www.icra.in or other ICRA Rating Publications.



For further details, please contact:

Analyst Contacts:

Mr. Subrata Ray (Tel. No. +91 22 6114 3408)
subrata@icraindia.com

Prashant Pandey (Tel No +91 22 6169 3362)
prashant.pandey@icraindia.com

Rachit Mehta (Tel No. +91 22 6169 3327)
rachit.mehta@icraindia.com

Suprio Banerjee (Tel No. +91 22 6114 3443)
supriob@icraindia.com

Relationship Contacts:

Mr. Jayanta Chatterjee (Tel. No. +91-80-43326401)
jayantac@icraindia.com

© Copyright, 2016, ICRA Limited. All Rights Reserved
Contents may be used freely with due acknowledgement to ICRA

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

**Registered Office****ICRA Limited**

1105, Kailash Building, 11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110001
Tel: +91-11-23357940-50, Fax: +91-11-23357014

Corporate Office**Mr. Vivek Mathur**

Mobile: +91 9871221122

Email: vivek@icraindia.com

Building No. 8, 2nd Floor, Tower A, DLF Cyber City, Phase II, Gurgaon 122002
Ph: +91-124-4545310 (D), 4545300 / 4545800 (B) Fax; +91- 124-4050424

Mumbai**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

3rd Floor, Electric Mansion
Appasaheb Marathe Marg, Prabhadevi
Mumbai—400025,
Board : +91-22-61796300; Fax: +91-22-24331390

Kolkata**Mr. Jayanta Roy**

Mobile: +91 9903394664

Email: jayanta@icraindia.com

A-10 & 11, 3rd Floor, FMC Fortuna
234/3A, A.J.C. Bose Road
Kolkata—700020
Tel +91-33-22876617/8839 22800008/22831411,
Fax +91-33-22870728

Chennai**Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

5th Floor, Karumuttu Centre
634 Anna Salai, Nandanam
Chennai—600035
Tel: +91-44-45964300; Fax: +91-44 24343663

Bangalore**Bangalore****Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

'The Millenia'
Tower B, Unit No. 1004, 10th Floor, Level 2 12-14, 1 & 2,
Murphy Road, Bangalore 560 008
Tel: +91-80-43326400; Fax: +91-80-43326409

Ahmedabad**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

907 & 908 Sakar -II, Ellisbridge,
Ahmedabad- 380006
Tel: +91-79-26585049, 26585494, 26584924; Fax:
+91-79-25569231

Pune**Mr. L. Shivakumar**

Mobile: +91 9821086490

Email: shivakumar@icraindia.com

5A, 5th Floor, Symphony, S.No. 210, CTS 3202, Range
Hills Road, Shivajinagar, Pune-411 020
Tel: + 91-20-25561194-25560196; Fax: +91-20-
25561231

Hyderabad**Mr. Jayanta Chatterjee**

Mobile: +91 9845022459

Email: jayantac@icraindia.com

4th Floor, Shobhan, 6-3-927/A&B. Somajiguda, Raj
Bhavan Road, Hyderabad—500083
Tel:- +91-40-40676500