November 13, 2025

Premier Explosives Limited: Ratings withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term - Fund based - Cash credit	55.00	55.00	[ICRA]BBB+ (Stable); withdrawn
Long term - Fund based – Term loan	23.65	23.65	[ICRA]BBB+ (Stable); withdrawn
Long term - Interchangeable	(35.00)	(35.00)	[ICRA]BBB+ (Stable); withdrawn
Long term/Short term - Non-fund based	248.01	248.01	[ICRA]BBB+ (Stable)/[ICRA]A2; withdrawn
Long term/Short term – Unallocated limits	30.34	30.34	[ICRA]BBB+ (Stable)/[ICRA]A2; withdrawn
Total	**357.00**	**357.00**	

**Instrument details are provided in Annexure I*

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Premier Explosives Limited at the request of the company and based on the no-objection certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers, liquidity position, rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Chemicals Policy On Withdrawal of Credit Rating
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Premier Explosives Limited

About the company

Premier Explosives Limited (PEL), incorporated in 1980, is primarily involved in the manufacturing and sale of high-energy materials. The bulk explosives, packaged explosives and initiating systems manufactured by PEL find application in the mining, infrastructure and construction industries. The company also diversified into the manufacturing of propellants for missiles and rockets and strap-on motors for satellite launch vehicles. The company's extended capabilities include products such as chaff, IR flares, explosive bolts, pyro devices, smoke markers, cable cutters, tear gas grenades and other products, including pyrogen igniters for defence and space applications. PEL is also involved in the operation and maintenance (O&M) services of solid propellant plants at the Sriharikota centre of the Indian Space Research Organisation (ISRO).

Key financial indicators (audited)

Premier Explosives Limited (consolidated)	FY2024	FY2025
Operating income	271.7	417.5
PAT	28.4	28.7
OPBDIT/OI	21.6%	14.0%
PAT/OI	10.5%	6.9%
Total outside liabilities/Tangible net worth (times)	1.0	1.1
Total debt/OPBDITA (times)	1.0	0.7
Interest coverage (times)	5.6	5.4

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDITA: 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 rating (FY2026)					Chronology of rating history for the past 3 years					
						FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Nov 13, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based - Cash credit	Long term	55.00	[ICRA]BBB+ (Stable); withdrawn	May 09, 2025	[ICRA]BBB+ (Stable)	Jan 15, 2025	[ICRA]BBB+ (Stable)	Dec 22, 2023	[ICRA]BBB+ (Stable)	Apr 26, 2022	[ICRA]BBB+ (Stable)
				May 20, 2025	[ICRA]BBB+; rating watch with developing implications	Aug 6, 2024	[ICRA]BBB+ (Stable)	Jun 05, 2023	[ICRA]BBB+ (Stable)		
				July 29, 2025	[ICRA]BBB+ (Stable); removed from rating watch with developing implications; Stable outlook assigned						
Fund-based limits	Short term	-	-	May 09, 2025	[ICRA]A2	Jan 15, 2025	[ICRA]A2	-	-	Apr 26, 2022	[ICRA]A2
				May 20, 2025	[ICRA]A2; rating watch with developing implications	Aug 6, 2024	[ICRA]A2	-	-		
Fund-based -Term loans	Long term	23.65	[ICRA]BBB+ (Stable); withdrawn	May 09, 2025	[ICRA]BBB+ (Stable)	Jan 15, 2025	[ICRA]BBB+ (Stable)	Dec 22, 2023	[ICRA]BBB+ (Stable)	Apr 26, 2022	[ICRA]BBB+ (Stable)
				May 20, 2025	[ICRA]BBB+; rating watch with developing implications	Aug 6, 2024	[ICRA]BBB+ (Stable)	Jun 05, 2023	[ICRA]BBB+ (Stable)		
				July 29, 2025	[ICRA]BBB+ (Stable); removed from rating watch with developing implications; Stable outlook assigned						
Interchangeable	Long term	(35.00)	[ICRA]BBB+ (Stable); withdrawn	May 09, 2025	[ICRA]BBB+ (Stable)	Jan 15, 2025	[ICRA]BBB+ (Stable)	Dec 22, 2023	[ICRA]BBB+ (Stable)	Apr 26, 2022	[ICRA]BBB+ (Stable)
				May 20, 2025	[ICRA]BBB+; rating watch with developing implications	Aug 6, 2024	[ICRA]BBB+ (Stable)	Jun 05, 2023	[ICRA]BBB+ (Stable)		
				July 29, 2025	[ICRA]BBB+						

	Current rating (FY2026)					Chronology of rating history for the past 3 years					
						FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Nov 13, 2025	Date	Rating	Date	Rating	Date	Rating	Date	Rating
					(Stable); removed from rating watch with developing implications; Stable outlook assigned						
Non-fund based	Short term	-	-	May 09, 2025	[ICRA]A2	Jan 15, 2025	[ICRA]A2	Dec 22, 2023	[ICRA]A2	Apr 26, 2022	[ICRA]A2
				May 20, 2025	[ICRA]A2; Rating Watch with developing implications	Aug 6, 2024	[ICRA]A2	Jun 05, 2023	[ICRA]A2		
Interchangeable	Short term	-	-	May 09, 2025	[ICRA]A2	Jan 15, 2025	[ICRA]A2	Dec 22, 2023	[ICRA]A2	Apr 26, 2022	[ICRA]A2
				May 20, 2025	[ICRA]A2; rating watch with developing implications	Aug 6, 2024	[ICRA]A2	Jun 05, 2023	[ICRA]A2		
Unallocated limits	Long term						-	Dec 22, 2023	[ICRA]BBB+ (Stable)	Apr 26, 2022	[ICRA]BBB+ (Stable)
Fund-based	Long term/Short term						-	-	-	Apr 26, 2022	[ICRA]BBB+ (Stable)/ [ICRA]A2
Unallocated limits	Long term/Short term	30.34	[ICRA]BBB+ (Stable)/ [ICRA]A2; withdrawn	July 29, 2025	[ICRA]BBB+ (Stable)/ [ICRA]A2; removed from rating watch with developing implications; Stable outlook assigned		-	-	-	Apr 26, 2022	[ICRA]BBB+ (Stable)/ [ICRA]A2
Non-fund based	Long term/Short term	248.01	[ICRA]BBB+ (Stable)/ [ICRA]A2; withdrawn	July 29, 2025	[ICRA]BBB+ (Stable)/ [ICRA]A2; removed from rating watch with developing implications; Stable outlook assigned						

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Cash credit	Simple
Long term – Fund-based – Term loans	Simple
Long term – Interchangeable	Simple
Long term/Short term - Non-fund based	Very 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 I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Cash credit	NA	NA	NA	55.0	[ICRA]BBB+(Stable); withdrawn
NA	Term loans – I	June 2025	NA	June 2029	12.40	[ICRA]BBB+(Stable); withdrawn
NA	Term loans – II	Sep 2023	NA	FY2028	11.25	[ICRA]BBB+(Stable); withdrawn
NA	Non-fund based limits	NA	NA	NA	248.01	[ICRA]BBB+ (Stable)/ [ICRA]A2; withdrawn
NA	Interchangeable	NA	NA	NA	(35.00)	[ICRA]BBB+ (Stable); withdrawn
NA	Unallocated limits	NA	NA	NA	30.34	[ICRA]BBB+ (Stable)/ [ICRA]A2; withdrawn

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure II: List of entities considered for consolidated analysis

Company name	Ownership	Consolidation approach
Premier Wires Products Limited	80.00%	Full consolidation
PELNEXT Defence Systems Private Limited	100.00%	Full consolidation

Source: PEL annual report FY2023

ANALYST CONTACTS

Girishkumar Kadam
+91 22 6114 3441
girishkumar@icraindia.com

Kushal Kumar
+91 040 6939 6408
kushal.kumar@icraindia.com

Prashant Vasisht
+91 124 4545 322
prashant.vasisht@icraindia.com

Aviraj Patole
+91 22 6169 3353
aviraj.patole@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches