July 28, 2026

Pamp Precision Manufacturing India Private Limited: Ratings upgraded to [ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE) and reaffirmed for [ICRA]BBB+ (Stable)/ [ICRA]A2

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Long-term Fund-based – Working Capital Facilities	10.00	10.00	[ICRA]AA-(CE) (Stable); upgraded from [ICRA]A+(CE) (Stable)	RBI
Short-term Non-fund based – Working Capital Facilities	10.00	10.00	[ICRA]A1+(CE) upgraded from [ICRA]A1(CE)	RBI
Long-term/ Short-term Non-fund based – Interchangeable^	(4.00)	(4.00)	[ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE); upgraded from [ICRA]A+(CE) (Stable)/ [ICRA]A1(CE)	RBI
Long term/Short term – Unallocated Limits	20.00	20.00	[ICRA]BBB+ (Stable)/ [ICRA]A2; reaffirmed	RBI
Total	**40.00**	**40.00**		

Rating without explicit credit enhancement	[ICRA]BBB+ (Stable)/ [ICRA]A2

** Instrument details are provided in Annexure I*

^ Sub-limit of non-fund based working capital facilities

 # 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.

Note: The (CE) suffix mentioned alongside the rating symbol indicates that the rated instrument/facility is backed by some form of explicit credit enhancement. This rating is specific to the rated instrument/facility, its terms and its structure and does not represent ICRA's opinion on the general credit quality of the entity concerned. The last row in the table above also captures ICRA's opinion on the rating without factoring in the explicit credit enhancement

Rationale

The CE ratings are based on the strength of the corporate guarantee provided by MMTC - PAMP India Private Limited (MPIPL), the parent company of Pamp Precision Manufacturing India Private Limited (PPMIPL), for PPMIPL's rated bank lines. The ratings action on Rs. 20.00-crore bank facilities of PPMIPL follows the execution of the corporate guarantee deed by MPIPL in favour of the bank facilities of PPMIPL, covering all the attributes of a strong form of explicit third-party support as described in ICRA's methodology, Rating Approach – Explicit Third-Party Support.

For the [ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE) rating

The above ratings are based on the strength of the corporate guarantee provided by MPIPL, the parent company of PPMIPL, for the rated bank facilities of Rs. 20.00 crore. The Stable outlook on this rating reflects ICRA's outlook on the rating of the guarantor, MPIPL.

Adequacy of credit enhancement

The ratings of the instruments are based on the credit substitution approach whereby the ratings of the guarantor have been translated to the ratings of the said instruments. The corporate guarantee is legally enforceable, irrevocable, unconditional, and covers Rs. 20.00-crore bank facilities and tenure of the rated instruments and has a well-defined invocation and payment mechanism. Given these attributes, the guarantee provided by MPIPL is adequately strong to result in an enhancement in the ratings of the said instruments to [ICRA]AA-(CE)/ [ICRA]A1(CE) against the ratings of [ICRA]BBB+/ [ICRA]A2 without explicit credit enhancement. If the ratings of the guarantor change in future, the same would reflect in the ratings of the aforesaid instruments as well. The ratings of these facilities may also change if, in ICRA's assessment, there is a change in the strength of the business links between the guarantor and the rated entity, or if there is a change in the reputation sensitivity or a change in the strategic importance of the rated entity to the guarantor.

Salient covenants of the rated facility

During the currency of the loan, the borrower will not, without prior written consent of the lender, (a) change constitution/ composition or undertake or permit any merger, de-merger, amalgamation, consolidation, restructuring, reorganisation, winding up, liquidation, dissolution; (b) avail any fresh loan, (c) undertake any new project or any expansion, diversification, modernisation, which are material in nature, (d) make any investment or provide any guarantee, indemnity or similar assurance, (e) make any change in the ownership/control/management.

For the [ICRA]BBB+ (Stable)/[ICRA]A2 ratings

PPMIPL's ratings also factor in the benefits derived from its strong parentage in the form of continued operational synergies and financial flexibility. ICRA expects that MPIPL will continue to maintain comfortable operational and financial performances over the medium term on the back of its established market position in the domestic gold refining industry and favourable long-term demand prospects for gold in India. The linkages of PPMIPL with its parent, MPIPL, would continue to remain strong.

The ratings are, however, constrained by PPMIPL's small scale of current operations and consistent cash losses incurred over the past years, leading to adverse capital structure and coverage indicators.

The Stable outlook on the long-term rating reflects ICRA's opinion that PPMIPL will continue to benefit from its strong operational and financial linkages with its parent, MPIPL. Also, timely financial assistance from its parent would continue to support its operations, as required.

Key rating drivers and their description

Credit strengths

Strong credit profile of the parent; demonstrated financial assistance to support operations – PPMIPL is a wholly-owned subsidiary of MPIPL, which has a strong operational and managerial linkages with its parent, MKS PAMP Group, which is among the largest refiners and traders of precious metals in the world, based out of the UK. MPIPL is the largest gold refiner in India, accounting for around 10% of total gold imported in the country. The company's large scale of operations and strong market share are likely to benefit its business through economies of scale. PPMIPL benefits from the continued operational synergies and financial flexibility offered by its strong parent, MPIPL. Apart from equity investment, MPIPL also extended loans/advances to PPMIPL to support its operations.

Unconditional and irrevocable corporate guarantee extended by the parent company – MPIPL has provided a legally enforceable, unconditional and irrevocable corporate guarantee for the bank limits, which cover Rs. 20 crore fund-based and non-fund based working capital facilities of PPMIPL. Also, the credit enhancement is in the form of the corporate guarantee provided by MPIPL for PPMIPL's working capital facilities, which reinforces the commitment of the former.

Credit challenges

Small scale of current operations – PPMIPL commenced its operations with manufacturing of electrical contacts in FY2022. In FY2024, the company diversified its line of business into refining/recovery/processing of precious metals, primarily gold, from various inputs like sludge, ashes and sweeps, e-waste etc. In FY2024, the company discontinued its electrical contacts manufacturing division. The scale of operations of the company has remained small. Nevertheless, in view of favourable demand and technical expertise of the Group in refining of gold, the company's scale of operations is likely to grow up gradually, going forward.

Consistent cash losses incurred over the past years – ICRA notes that PPMIPL has been incurring cash losses over the past years. With increasing scale of operations and improving operating efficiency, the profitability of the company is likely to witness a gradual improvement, going forward.

Weak credit profile characterised by adverse capital structure and coverage indicators – The capital structure and the coverage metrics of PPMIPL remained adverse on account of consistent losses reported over the past years. However, the same are likely to improve, to an extent, in view of increasing scale along with an increase in profitability.

Liquidity position: Adequate

For the [ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE) ratings: Adequate

The company, on a consolidated basis, generated positive cash flow from operations over the past few years primarily due to low working capital intensity of operations, which is likely to continue in the current fiscal as well. Despite a sizeable dividend payout, retained cash flows are estimated to remain positive in the current fiscal as well. The average fund-based working capital utilisation of the company stood at a low level during the past 15 months, ended in May 2026, leaving adequate buffer. MPIPL had sizeable, unencumbered cash/bank balance and liquid investments of around Rs. 1,521 crore as on March 31, 2026. The company has nominal long-term debt repayment obligations, including lease liabilities. In view of adequate cash flow from operations, surplus cash/bank balance, unutilised working capital limits, insignificant long-term debt repayment obligations and nominal capital expenditure of Rs. 25-30 crore largely towards automation and efficiency improvements, ICRA expects the overall liquidity position of the company to remain adequate, going forward.

For the [ICRA]BBB+ (Stable)/ [ICRA]A2 ratings: Stretched

PPMIPL generated negative cash flow from operations in FY2026 and ICRA expects the same to continue to remain negative in FY2027 as well. The average utilisation of the working capital limits remained at around 32% over the last 15 months, ended in March 2026. The company has debt repayment obligation of Rs. 2-3 crore towards lease liabilities and normal capex of Rs. 0.2-0.4 crore in the near term. The company would remain dependent on external financing from its parent to address its cash flow shortfall in the near term.

Rating sensitivities

For the [ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE) ratings

The above rating(s) assigned to the Rs. 20.00-crore bank facilities would remain sensitive to any movement in the rating(s) or outlook of the guarantor, MMTC - PAMP India Private Limited.

For the [ICRA]BBB+ (Stable)/ [ICRA]A2 ratings

Positive factors – A sustained improvement in the top line and profitability, favourably impacting the capital structure, debt coverage metrics and liquidity of the company may lead to ratings upgrade. An improvement in the credit profile of the guarantor, MMTC - PAMP India Private Limited, may also result in PPMIPL's ratings upgrade.

Negative factors – Reduced operational and financial linkages of the company with the guarantor, MMTC - PAMP India Private Limited, or a deterioration in the credit profile of MPIPL may result in downgrade of PPMIPL's ratings.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	ICRA has considered implicit and explicit support from its parent company, MMTC - PAMP India Private Limited (MPIPL, rated at [ICRA]AA- (Stable)/ [ICRA]A1+]. MPIPL has provided a legally enforceable, unconditional and irrevocable corporate guarantee for the bank facilities of PPMIPL.

Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of PPMIPL

About the company

Pamp Precision Manufacturing India Private Limited (PPMIPL) was incorporated in 2020, as a wholly-owned subsidiary of MMTC - PAMP India Private Limited (MPIPL). The company commenced its operations with the manufacturing of electrical contacts/silver wire/anodes in FY2022. In FY2024, the company diversified its business into refining/recovery/processing of precious metals from various inputs like sludge, ashes and sweeps, e-waste etc. In FY2024, the company discontinued its electrical contacts manufacturing division. The manufacturing facilities of the company are located in Haryana.

About the guarantor

MMTC – Pamp India Private Limited (MPIPL) is a joint venture between MMTC Limited (owning a 26.00% stake; a mini-ratna PSU) and PAMP Ventures SA (holding a 72.65% stake; a part of the MKS PAMP Group). The company is the largest refiner of gold and silver in India with a capacity to process 300 metric tonnes per year of gold, 600 metric tonnes per year of silver and mint 25 lakh coins per year. It is the only refiner in India to have 'Good Delivery' accreditation for gold and silver by the London Bullion Makers Association. At present, MPIPL has one wholly-owned subsidiary, Pamp Precision Manufacturing India Private Limited (PPMIPL).

Key financial indicators – company (audited)

PPMIPL, Standalone	FY2025	FY2026
Operating income	13.9	21.8
PAT	-21.1	-5.7
OPBDIT/OI	-25.9%	-14.1%
PAT/OI	-151.5%	-26.0%
Total outside liabilities/Tangible net worth (times)	3.5	5.0
Total debt/OPBDIT (times)	-4.8	-5.9
Interest coverage (times)	-0.6	-1.8

Source: Pamp Precision Manufacturing India Private Limited, 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

Key financial indicators – guarantor (audited)

MPIPL, Consolidated	FY2025	FY2026
Operating income	37,358.5	80,237.6
PAT	107.2	667.6
OPBDIT/OI	0.8%	1.2%
PAT/OI	0.3%	0.8%
Total outside liabilities/Tangible net worth (times)	6.5	6.5
Total debt/OPBDIT (times)	0.0	0.0
Interest coverage (times)	2.2	5.2

Source: MMTC – Pamp India Private Limited, 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)	Jul 28, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based – Working Capital Facilities	Long-term	10.00	**[ICRA]AA-(CE) (Stable)**	Aug 11, 2025	[ICRA]A+(CE) (Stable)	Jun 4, 2024	[ICRA]A+(CE) (Stable)	-	-
Non-fund Based – Working Capital Facilities	Short-term	10.00	**[ICRA]A1+(CE)**	Aug 11, 2025	[ICRA]A1(CE)	Jun 4, 2024	[ICRA]A1(CE)	-	-
Non-fund Based Limits – Interchangeable^	Long-term/ short-term	(4.00)	**[ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE)**	Aug 11, 2025	[ICRA]A+(CE) (Stable)/ [ICRA]A1(CE)	Jun 4, 2024	[ICRA]A+(CE) (Stable)/ [ICRA]A1(CE)	-	-
Unallocated Limits	Long-term/ short-term	20.00	**[ICRA]BBB+ (Stable)/ [ICRA]A2**	Aug 11, 2025	[ICRA]BBB+ (Stable)/ [ICRA]A2	Jun 4, 2024	[ICRA]BBB+ (Stable)/ [ICRA]A2		

^ Sub-limit of non-fund based working capital facilities

Complexity level of the rated instrument

Instrument	Complexity indicator
Long-term fund-based – Working Capital Facilities	Simple
Short-term non-fund based – Working Capital Facilities	Simple
Long-term/ Short-term non-fund based – Interchangeable	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/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator#
NA	Cash Credit/ WCDL/ FCDL	-	-	-	10.00	[ICRA]AA-(CE) (Stable)	RBI
NA	Letter of Credit	-	-	-	10.00	[ICRA]A1+(CE)	RBI
NA	Bank Guarantee^	-	-	-	(4.00)	[ICRA]AA-(CE) (Stable)/ [ICRA]A1+(CE)	RBI
NA	Unallocated Limits	-	-	-	20.00	[ICRA]BBB+ (Stable)/ [ICRA]A2	RBI

Source: Pamp Precision Manufacturing India Private Limited

^ Sub-limit of Letter of Credit

 # 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.

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

Annexure II: List of entities considered for consolidated analysis

Not Applicable

ANALYST CONTACTS

Mr. Jitin Makkar
+91 124 4545 368
jitinm@icraindia.com

Ms. Kinjal Kirit Shah
+91 22 6114 3442
kinjal.shah@icraindia.com

Mr. Sujoy Saha
+91 33 6521 6805
sujoy.saha@icraindia.com

Mr. Sandipan Kumar Das
+91 33 6521 6807
sandipan.das@icraindia.com

RELATIONSHIP CONTACT

Mr. 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