

RATING RATIONALE

17 Oct 2025

Kisan Irrigations and Infrastructure Ltd

Brickwork Ratings has assigned a long-term rating of BWR BBB/Stable for Rs. 51.97 crore and a short-term rating of BWR A3+ for Rs. 12.75 crore of Kisan Irrigations and Infrastructure Ltd. Additionally, it has withdrawn the existing bank loan facilities of Rs. 8.52 crore, as the facilities have been fully repaid. Furthermore, it has removed long-term ratings of Rs. 36.44 crore and short-term ratings of Rs. 47.75 crore from the 'ISSUER NOT COOPERATING' category and upgraded them to BWR BBB/Stable and BWR A3+, respectively.

Particulars:

Facilities**	Amount Rated (Rs. Crs.)		Tenure	Previous (03 Jan 2025)	Present
	Previous	Present			
Fund Based					
Cash Credit-Sanctioned	0.00	13.00	Long Term	-	BWR BBB/Stable Assignment
Cash Credit-Sanctioned	30.50	30.50		BWR BB-/Stable Continues to be in ISSUER NOT COOPERATING* category/Downgrad ed	BWR BBB/Stable , removal from ISSUER NOT COOPERATING* category/Upgraded
Term Loan - Outstanding	12.49	2.51		-	BWR BBB/Stable Assignment
Term Loan - Outstanding	0.00	8.97			
Term Loan - sanctioned	0.00	30.00		BWR BB-/Stable Continues to be in ISSUER NOT COOPERATING* category/Downgrad ed	BWR BBB/Stable , removal from ISSUER NOT COOPERATING* category/Upgraded
Term Loan - sanctioned/Outstanding	6.30	1.63		Withdrawal	
Emergency Credit Line Guarantee Scheme (ECLGS) -Sanctioned/Outstanding	3.82	1.80			
CECL -Out-standing	0.86	0.00			
GECL -Out-standing	7.66	0.00			
Sub-Total	61.63	88.41			
Non- Fund Based					
Bank Guarantee -Sanctioned	2.75	2.75	Short Term	BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	BWR A3+, removal from ISSUER NOT COOPERATING* category/Upgraded
Letter of Credit -Sanctioned	0	12.75			BWR A3+ Assignment
Letter of Credit -Sanctioned	45	45		BWR A4 Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	BWR A3+, removal from ISSUER NOT COOPERATING* category/Upgraded
Sub-total	47.75	60.50			
Grand Total	109.38	148.91	Rupees One Hundred Forty-Eight Crore and Ninety-One Lakh Only		

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

*Issuer did not cooperate; based on the best available information.

** Details of Bank Loan facilities, consolidation, or instruments are provided in Annexure

Note- O/s figures of term loans don't include the undisbursed portion.

RATING ACTION / OUTLOOK

Brickwork Ratings has withdrawn the existing bank loan facilities of Rs. 8.52 crore of Kisan Irrigations and Infrastructure Ltd, as the facilities have been fully repaid. Additionally, it has assigned a long-term rating of BWR BBB/Stable for Rs. 51.97 crore and a short-term rating of BWR A3+ for Rs. 12.75 crore. Furthermore, it has removed long-term ratings of Rs. 36.44 crore and short-term ratings of Rs. 47.75 crore from the 'ISSUER NOT COOPERATING' category and upgraded them to BWR BBB/Stable and BWR A3+, respectively.

The upgradation of rating takes into account the company's established operational track record and the promoters' extensive experience in the plastic pipes and fittings industry. It also factors in effective succession planning, strong management continuity, a diversified product portfolio, and a wide distribution network. The improvement in financial metrics, stable profitability, comfortable working capital utilisation, and adequate liquidity further support the rating. However, the rating remains constrained by the susceptibility of profitability to fluctuations in input prices and foreign exchange rates, along with exposure to intense competition in a fragmented industry.

The outlook has been assigned as Stable, as BWR believes that the business risk profile of the company will be maintained over the medium term. The Stable outlook indicates a low likelihood of a rating change over the medium term.

For assigning the rating, BWR has relied upon the last 3 years of audited financials till FY25, projected financials for FY26 & FY27, and publicly available information and clarification provided by management.

KEY RATING DRIVERS

Credit Strengths:-

Established track record of operations and extensive experience of the promoters in the plastic pipe and fittings industry :

The Company has an established track record of around five decades in the pipe and fittings industry. It offers a wide range of products under the recognized brand names, i.e., "Kisan" and "KSR". Further, KIIL is headed by Mr. Ramesh Agarwal, the founding promoter of the Company, with more than five decades of experience in the pipe industry. He is supported by his son, Mr. Kunal Agarwal having more than two decades of experience in the pipe industry in handling the day-to-day affairs of the company. The experienced management team has helped the Company to establish and maintain long-standing relationships with its customers and suppliers.

Effective Succession Planning and Strong Management Continuity

The company demonstrates sound succession planning and leadership continuity, ensuring long-term business stability. With the promoter's son actively joining the business operations, management responsibilities have been seamlessly transitioned from the previous generation. This proactive move mitigates succession risks and reinforces leadership depth and continuity within the organization.

Diversified product portfolio supported by a wide distribution network: The company offers a diversified portfolio of products, including PVC, HDPE, LDPE, PPRC, CPVC pipes, and fittings, finding applications in different sectors, including water resource management, agriculture, building & construction, infrastructure, telecommunications, and micro-irrigation etc.

The Company mainly sells products through a network of around 1000 active dealers & distributors spread across the country. However, states including Madhya Pradesh, Rajasthan, Gujarat, Maharashtra, Punjab, Haryana, Karnataka, Jharkhand, Delhi, Chhattisgarh, Uttar Pradesh, etc. contribute majorly to the sales. KIIL also directly supplies to private companies and contractors who undertake infrastructure projects. The diversified end-users and wide distribution network help the company to overcome low demand from any particular user industry or geographical location.

Comfortable Working Capital Utilisation with Adequate Headroom-Between Jul'24 and Jul'25, fund-based limit utilisation remained moderate at 13–68% of the sanctioned Rs. 43.50 Cr, with lower levels seen in recent months (17% in Jul'25), indicating ample liquidity buffer. Bank Guarantee utilisation was minimal at ~29% of the Rs. 2.75 Cr limit, while LC utilisation against Rs. 57.75 Cr limits was moderate, ranging from 29% to 45%. Overall, the trend reflects prudent working capital management and sufficient unutilised limits, providing strong financial flexibility

Adequate Liquidity and Comfortable Debt Servicing Capability-The company continues to maintain a very comfortable liquidity position, supported by healthy net cash accruals of Rs. 25.64 Cr against a current portion of long-term debt (CPLTD) of Rs. 8.26 Cr, reflecting strong internal accruals to meet debt obligations. The current ratio improved from 1.68x in FY24 to 1.89x in FY25, while the Total Debt to Tangible Net Worth remained comfortable at 0.34x. Moreover, the company reported a healthy ISCR of 5.56x and DSCR of 2.29x in FY25 (A), indicating robust debt-servicing capacity and sound financial discipline.

Prudent Business Approach and Quality-Focused Operations- Despite a marginal decline in revenue, the company's performance reflects a strategic and prudent approach toward business operations. The reduction in topline was primarily due to lower sales realizations arising from price fluctuations; however, the company's conscious decision to focus on quality orders and maintain profitability margins underscores its emphasis on sustainable and efficient growth rather than volume-driven expansion.

Credit Weakness:-

Susceptibility of Profitability to Input Price Volatility and Forex Rates- The company remains exposed to fluctuations in raw material prices and foreign exchange rates. Key inputs such as resin and high-density polyethylene are crude oil derivatives, and their prices tend to move in line with crude oil trends.

Exposure to Intense Competition in a Fragmented Industry-The company operates in a highly competitive and fragmented piping industry, characterised by the presence of numerous unorganised regional players alongside several large, established firms. Intense pricing pressures from unorganised players continue to pose challenges for organised participants, thereby keeping competition elevated across the sector.

ANALYTICAL APPROACH - Standalone - For arriving at its ratings, BWR has considered the standalone performance of Kisan Irrigations and Infrastructure Ltd. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES

Going forward, the ability of the company to improve its scale of operations, profitability margins, overall credit risk profile, and efficiently manage its working capital requirements would be the key rating sensitivity.

Positive: The rating may be upgraded if there is a substantial improvement in net profitability margins to above 3.8%, along with a significant and sustained increase in revenues, and if TNW exceeds Rs. 170.00 Cr.

Negative: The rating may be downgraded if there is a deterioration in the financial risk profile, delays in debt servicing, a significant decline in revenue to Rs. 450.00 Cr, a drop in net margins below 2.5%, or a weakening of liquidity ratios.

LIQUIDITY INDICATORS - Adequate

In FY25 (A.), the company generated net cash accruals of Rs. 25.64 Cr against CPLTD of Rs 8.26 Cr, reflecting comfortable internal accruals to service debt obligations. Further, net cash accrual is projected at Rs. 23.44 Crs as against CPLTD of Rs. 11.23 Crs. Liquidity is further supported by Cash and Bank Balances of Rs. 18.95 Cr as on FY25. The current ratio improved from 1.68x in FY24 to 1.89x in FY25, highlighting a strong working capital position. Gearing remains conservative, with Total Debt to Tangible Net Worth at 0.34x in FY25 (A) compared to 0.25x in FY24, well within comfortable levels. Debt protection indicators continue to be robust, with ISCR at 5.51x and DSCR at 2.28x in FY25 (A.), against 6.24x and 2.44x, respectively, in FY24. Additionally, average working capital utilisation stood at a moderate ~37% over the past six months, providing further cushion to liquidity.

ABOUT THE ENTITY

Macro Economic Indicator	Sector	Industry	Basic Industry
Plastic Products	Plastic Products - Industrial	Plastic	Plastic

Kisan Irrigations & Infrastructure Ltd. (KIIL), operating under the brands KISAN and KSR, has been involved in manufacturing plastic piping solutions since 1973. Headquartered in Mumbai, the company caters to diverse sectors, including infrastructure, water management, irrigation, building, and construction, supported by a robust pan-India distributor network of over 1,000 dealers. With more than 45 years of management expertise in the plastics industry, KIIL has established itself as a strong market player. The company operates multiple manufacturing units at Pithampur (MP) and Solapur (Maharashtra), along with branch offices in key cities such as Ahmedabad, Indore, Jaipur, Noida, Zirakpur, and Raipur, complemented by stock points across India to ensure prompt client servicing.

KEY FINANCIAL INDICATORS (Standalone)

Particulars (Amt in Rs. Crs)	FY23	FY24	FY25
	Audited	Audited	Audited
Operating Revenue	634.94	647.49	572.84
EBITDA	36.55	41.19	38.28
PAT	17.92	24.42	19.40
Tangible Net Worth	99.26	123.68	143.08
Total Debt/Tangible Net Worth	0.32	0.25	0.34
Current Ratio	1.64	1.68	1.89

KEY COVENANTS OF THE FACILITY RATED

The key covenants are the standard terms as stipulated in the sanction letters of the rated facilities

STATUS OF NON-COOPERATION WITH PREVIOUS CRA

Credit Rating Agency	Status and Reason for Non-Cooperation	Date of Press Release
NA	NA	NA

ANY OTHER INFORMATION

NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS [INCLUDING WITHDRAWAL AND SUSPENDED]

Facilities		Current Rating (2025)		2025		2024		2023		2022	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	36.44	BWR BBB/Stable, removal from ISSUER NOT COOPERATING * category/Upgraded	03Jan2025	BWR BB-/Stable (Continues to be in ISSUER NOT COOPERATING * category/Downgraded)	NA	NA	19Jun2023	BWR BBB-Stable (ISSUER NOT COOPERATING*/Downgrade)	28Mar2022	BWR BBB+ Stable (Upgrade)
		0	Withdrawal							NA	NA
		51.97	BWR BBB/Stable, Assignment							NA	NA
		0			NA	NA	NA	18Dec2023	BWR BB Stable (Continues to be in ISSUER NOT COOPERATING* category/Downgraded)	NA	NA
Non Fund Based	ST	47.75	BWR A3+, removal from ISSUER NOT COOPERATING * category/Upgraded	03Jan2025	BWR A4 (Continues to be in ISSUER NOT COOPERATING * category/Reaffirmed)	NA	NA	19Jun2023	BWR A3 (ISSUER NOT COOPERATING*/Downgrade)	28Mar2022	BWR A2 (Upgrade)
		12.75	BWR A3+, Assignment								

		0			NA	NA	NA	18Dec2023	BWR A4 (Continues to be in ISSUER NOT COOPERATING* category/Dowgraded)	NA	NA
Grand Total		148.91			(Rupees One Hundred Forty-Eight Crore and Ninety-One Lakh Only)						

* Issuer did not cooperate; based on the best available information.

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Short Term Debt](#)
- [Manufacturing Companies](#)
- [Trading Companies](#)
- [BWR Withdrawal Policy](#)

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ANNEXURE- I

Kisan Irrigations and Infrastructure Ltd

Details of Bank Loans Rated by BWR

SL. No.	Name of the Bank/Lender	Type Of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)	Complexity of the Instrument
1	HDFC Bank Ltd	Term Loan- Sanctioned	15.00		15.00	Simple##
2	HDFC Bank Ltd	Term Loan- Outstanding	4.28		4.28	Simple##
3	HDFC Bank Ltd	Cash Credit- Sanctioned	13.00		13.00	Simple##
4	HDFC Bank Ltd	Letter of Credit-Sanctioned		12.75	12.75	Simple##
5	Indusind Bank Ltd	Term Loan- Outstanding	1.63		1.63	Simple##
6	Indusind Bank Ltd	Term Loan- Outstanding	0.58		0.58	Simple##
7	Punjab National Bank	Term Loan- Sanctioned	15.00		15.00	Simple##
8	Punjab National Bank	Bank Guarantee (BLR)- Sanctioned		2.25	2.25	Simple##
9	Punjab National Bank	Cash Credit- Sanctioned	17.00		17.00	Simple##
10	Punjab National Bank	Letter of Credit-Sanctioned		24.25	24.25	Simple##
11	Punjab National Bank	CECL - Outstanding	0.00			Simple##
12	Punjab National Bank	GECL - Outstanding	0.00			Simple##
13	SVC Co-Op Bank Limited	Term Loan- Outstanding	2.51		2.51	Simple##
14	SVC Co-Op Bank Limited	Emergency Credit Line Guarantee Scheme (ECLGS) -Sanctioned/Outstanding	1.80		1.80	Simple##
15	SVC Co-Op Bank Limited	Term Loan- Outstanding	4.11		4.11	Simple##
16	SVC Co-Op Bank Limited	Bank Guarantee (BLR)- Sanctioned		0.50	0.50	Simple##
17	SVC Co-Op Bank Limited	Cash Credit- Sanctioned	13.50		13.50	Simple##
18	SVC Co-Op Bank Limited	Letter of Credit-Sanctioned		20.75	20.75	Simple##
Total			88.41	60.50	148.91	
Total Rupees One Hundred Forty-Eight Crore and Ninety-One Lakh Only						

Note- O/s figures of term loans don't include the undisbursed portion.

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com / [download](#) / [ComplexityLevels.pdf](#). Investors' queries can be sent to info@brickworkratings.com.

ANNEXURE-II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

Instrument	Issue Date	Amount (Rs.Crs)	Coupon Rate (%)	Maturity Date	ISIN Particulars	Complexity of the Instrument
Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE-III
List of entities consolidated

Name of Entity	% Ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Ni

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