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KPT POWER TOOLS
KPT BLOWERS
KPT E VEHICLES
www.kpt.co.in

KPT/SECR/STKEXG/26-27 www.listing.bseindia.com 10th July, 2026

**BSE Limited**
Corporate Relationship Department
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street.
**MUMBAI 400 001**

Dear Sir,

**Sub: - Disclosure of Revision in Credit Rating.**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Para A, of Part A, of Schedule III, we are herewith disclosing information related to revision in credit ratings as obtained by us.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For **KPT** Industries **LTD.**

KPT Industries Ltd. INDIA SHIROL

Aishwarya Toraskar
**COMPANY SECRETARY & COMPLIANCE OFFICER**
**M No. A54931**

# KPT Industries Limited

July 08, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long-term bank facilities | 13.75 (Reduced from 15.56) | CARE BBB; Stable | Reaffirmed |
| Long-term / Short-term bank facilities | 18.00 | CARE BBB; Stable / CARE A3+ | Reaffirmed |
| Short-term bank facilities | 23.23 | CARE A3+ | Reaffirmed |

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

## Rationale and key rating drivers

Reaffirmation of ratings assigned to bank facilities of KPT Industries Limited (KPTIL) is considering its largely stable scale of operations and comfortable profitability, though declined, in FY26 (Audited; refers to April 01 to March 31), and comfortable overall gearing and adequate debt coverage indicators. Ratings continue to derive strength from experienced promoters and KPTIL's long operational track record for over four decades in the electric power tools industry, and its established distribution network. However, rating strengths are constrained by the modest scale of operations and net worth base, working capital intensive operations, high dependence on the power tools segment, profitability susceptible to volatile raw material prices, and fragmented and intense competition in the electric power tools industry.

## Rating sensitivities: Factors likely to lead to rating actions

**Positive factors**

- The company's ability to scale up its operations, with significant growth in the TOI and profit before interest, lease, depreciation and taxes (PBILDT) margin above 15% on a sustained basis.
- Improved diversification with substantially improving sales from E-Cart segment.
- Improving overall gearing and total debt to gross cash accrual (TD/GCA) below 0.45x and 1.80x, respectively, on a sustained basis.

**Negative factors**

- Deteriorating overall gearing to over 1.40x on a sustained basis.
- Declining profitability with PBILDT margin below 8%.
- Operating cycle deteriorating to over 200 days on a sustained basis.

## Analytical approach: Standalone

## Outlook: Stable

The stable outlook reflects that KPTIL is expected to maintain its operating risk profile with its established presence in the power tool industry supported by long and established track record of the promoters. The company's solvency and liquidity position are also expected to remain stable supported by debt repayment and comfortable gross cash accruals in the medium term.

## Detailed description of key rating drivers:

## Key strengths

**Extensive experience and long-standing track record of operations of company in power tool industry**

KPTIL benefits from an experienced management team led by promoter and non-executive chairperson, Prabha Kulkarni, and Managing Director, Dilip Kulkarni. Prabha Kulkarni assumed the current role in February 2026 following the demise of Prakash Kulkarni and has over five decades of experience in the foundry industry. Dilip Kulkarni has been associated with the company for over 47 years.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

KPTIL appointed Mayur Mandlekar as Chief Executive Officer (CEO) in February 2026 to strengthen operational oversight. The company's long operational track record in power tools and electric motors, and experienced leadership, supports operational stability and product diversification.

**Improved yet modest scale of operations and comfortable profitability margins**

The company's revenue grew at a compounded annual growth rate (CAGR) of 10.50% for five years ended FY26 despite industry cyclicality. Scale of operations improved by ~5% in FY26 but remains moderate. In FY26, KPTIL reported total operating income (TOI) of ₹173.77 crore. Revenue growth was supported by steady demand in the power tools segment and improved demand in the blower and e-cart segments. Blowers and e-cart segments recorded year-on-year growth of 17% and 16%, respectively, in FY26.

The company continues to operate at healthy PBILDT margins; however, PBILDT margin moderated by 275 basis points to 13.25% in FY26 from 16% in FY25 due to increased raw material cost, higher employee costs arising from excess payment in the form of gratuity to the promoter late Prakash Kulkarni and changes in labour laws and a marginal increase in advertisement and sales promotion expenses. PBIT margins in the power tools segment moderated to 14% in FY26 from 16% in FY25, while the blowers segment recovered to 18% from 15%. E-cart margins moderated but remained healthy at 30%. Consequently, profit after tax (PAT) margin declined to 6.94% in FY26 from 8.39% in FY25.

CARE Ratings Limited (CareEdge Ratings) expects the company's revenue growth to remain steady in the near term supported established product profile and launch of hand tools and agricultural tools. Profitability margins are expected to remain comfortable with increased focus on higher-margin segments and increasing export business.

**Improved capital structure and debt protection metrics**

The company's net worth improved to ₹79.06 crore as on March 31, 2026, from ₹68.20 crore as on March 31, 2025, considering accretion of profits to reserves.

As on March 31, 2026, total debt stood at ₹25.57 crore (PY: ₹23.35 crore), with the increase primarily due to higher utilisation of working capital limits at the year end, while long-term debt reduced owing to regular repayments.

Overall gearing continued to remain comfortable at 0.32x as on March 31, 2026, against 0.34x as on March 31, 2025. Despite a comfortable capital structure and steady profitability, the debt coverage indicators showed a mixed trend and remained moderate in FY26. TD/GCA increased to 1.67x as on March 31, 2026, from 1.33x as on March 31, 2025, due to increased working capital borrowings, while the interest coverage ratio improved to 6.69x in FY26 from 5.75x in FY25, supported by a reduction in interest cost.

CareEdge Ratings expects the company's capital structure and debt protection metrics to remain comfortable in the medium term supported by limited reliance on long-term borrowings due to absence of plans of debt-funded capex or lower utilisation of working capital borrowings.

**Low customer concentration and an extensive dealer network**

The company maintains a diversified customer base, with top 10 customers accounting for ~17% of total sales, indicating low customer concentration risk and reducing dependence on single customer. KPTIL's power tool products are distributed through a network of ~500 dealers operating from a central distribution depot, supporting wide market reach and stable demand generation. The company sources raw materials from both domestic and overseas markets, ensuring diversified procurement and reducing supply-side concentration risk. The diversified customer base and supply chain mitigate counterparty and supply risks to a considerable extent.

## Key weaknesses

**Product concentration risk**

KPTIL operates under three primary business segments - Portable Power Tools, Blowers, and E-Cart. Major income is derived from the Portable Power Tools segment (66% of total revenue in FY26), followed by the Blowers segment (24%) and the E-Cart segment (9%). The high dependence on the portable power tools segment exposes the company to concentration risk. Adverse changes in demand for power tools or disruptions in the industry can significantly impact the company's financial performance. However, the company expects order inflows in FY27 to remain similar to FY26 levels from existing and new customers in blowers and e-Cart segment. The company also derives revenue from servicing already supplied vehicles. Going forward, gradual revenue mix diversification, supported by anticipated growth in blower and e-cart sales in the near-to-medium term will remain a key monitorable.

**Working capital intensive operations**
KPTIL operates in a working capital intensive business evident from high operating cycle of 180 days in FY26 (PY: 175 day), with funds mainly blocked in inventory and receivables. The company generally maintains raw material inventory of 5-6 months and finished goods inventory of 55 to 65 days, driven by a wide product portfolio, particularly in the power tools division. The power tools division operates on an anticipation-based demand model, whereas the blower division primarily follows a make-to-order approach. The e-cart segment operates through a tender-based procurement model.

KPTIL provides a credit period of 75 to 80 days to dealers in the power tools division and 90 to 110 days to customers in the blower division, reflecting working capital intensive operations. Consequently, the operating cycle elongated to 180 days in FY26 from 175 days in FY25, primarily due to sustained high inventory holding and receivables period. Receivables remained elevated at the year-end, which were subsequently realised in April and May 2026. Despite marginal increase in the operating cycle, KPTIL's working capital requirements are well-managed, as reflected in low reliance on creditors and moderate utilisation of working capital limits.

The company's operating cycle is expected to remain elongated in the near term due to the nature of operations; however, timely realisation of receivables and inventory levels will remain key monitorable.

**Profitability susceptible to raw material price volatility**
KPTIL's primary raw materials comprise ferrous castings, steel, copper wire, and non-ferrous castings, which are inherently volatile. Raw material cost constitutes a significant portion of total cost, accounting for ~65% of total sales, making profitability sensitive to input price fluctuations. The company's ability to pass on increases in raw material costs remains constrained due to its presence in a highly competitive industry, resulting in operating margins being susceptible to changes in raw material prices.

**Intense competition from organised and unorganised players**
KPTIL operates in the power tools industry, which is fragmented with presence of several players in the unorganised sector. The industry is characterised by relatively low entry barriers and limited product differentiation, owing to minimal technological complexity and availability of standardised manufacturing processes. Such intense competition leads to pricing pressures, which can restrict the company's pricing power and impact operating margins. However, the company's established distribution network of ~500 dealers and ongoing addition of new product lines, mitigate the risk to an extent.

## **Liquidity**: Adequate
KPTIL's liquidity is adequate, characterised by sufficient accruals against repayment obligations, available unutilised bank limits, and modest cash balances. GCA are expected to be in the range of ₹17–20 crore in FY27 against repayment obligations of ₹2.84 crore in the same period. KPTIL had cash and liquid investments of ₹0.87 crore as on March 31, 2026. Liquidity is supported by unutilised cash credit limits of ~₹15 crore against a sanctioned limit of ₹30.25 crore. The maximum average utilisation of fund-based limits for 12 months ended May 2026 stood at ~50%. The company's current ratio remained comfortable at 2.17x as on March 31, 2026.

## **Environment, social, and governance (ESG) risks:** Not applicable

## Applicable criteria
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

## About the company and industry
## Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|---|---|---|---|
| Industrials | Capital goods | Electrical equipment | Other electrical equipment |

Formerly known as Kulkarni Power Tools Limited (market cap: ₹166.87 crore; share price: ₹490.80 as on June 25, 2026), KPTIL was incorporated in 1976 as Kulkarni Black & Decker Limited, a joint venture between the Kulkarni family led by the late Prakash Kulkarni and Black & Decker, USA. The company commenced commercial production in 1978 from its manufacturing facility at

Shirol, Kolhapur (Maharashtra), and is listed on the Bombay Stock Exchange (BSE). In 1993, the Kulkarni family acquired the entire stake of Black & Decker, leading to a change in the company's name to Kulkarni Power Tools Limited.

KPTIL initially operated in electric power tools (since 1978), expanded into industrial blowers in 2004, and diversified into electric three-wheelers (e-cart) in 2017. From August 2025, KPTIL expanded its power tools segment to include hand tools, welding machines, and electric motor-operated agricultural equipment. KPTIL also operates a windmill, for which the company entered a power purchase agreement (PPA) with TATA Power.

| Brief Financials (₹ crore) | March 31, 2025 (A) | March 31, 2026 (A) |
|---|---|---|
| Total operating income | 166.05 | 173.77 |
| PBILDT* | 26.58 | 23.02 |
| Profit after tax (PAT) | 13.93 | 12.07 |
| Overall gearing (x) | 0.34 | 0.32 |
| Interest coverage (x) | 5.75 | 6.69 |

A: Audited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated**: Annexure-4

**Lender details**: Annexure-5

## Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|
| Fund-based - LT-Cash Credit | - | - | - | - | 10.77 | CARE BBB; Stable |
| Fund-based - LT-Term Loan | - | - | - | March 2028 | 2.98 | CARE BBB; Stable |
| Fund-based - LT/ ST-CC/Packing Credit | - | - | - | - | 18.00 | CARE BBB; Stable / CARE A3+ |
| Fund-based - ST-Packing Credit in Indian rupee | - | - | - | - | 1.48 | CARE A3+ |
| Non-fund-based - ST-BG/LC | - | - | - | - | 21.75 | CARE A3+ |

## Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2026-2027 | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 |
| 1 | Fund-based - LT-Term Loan | LT | 2.98 | CARE BBB; Stable | - | 1)CARE BBB; Stable (08-Jul-25) | 1)CARE BBB; Stable (05-Jul-24) | 1)CARE BBB-; Positive (07-Jul-23) |
| 2 | Fund-based - LT-Cash Credit | LT | 10.77 | CARE BBB; Stable | - | 1)CARE BBB; Stable (08-Jul-25) | 1)CARE BBB; Stable (05-Jul-24) | 1)CARE BBB-; Positive (07-Jul-23) |
| 3 | Fund-based - ST-Packing Credit in Indian rupee | ST | 1.48 | CARE A3+ | - | 1)CARE A3+ (08-Jul-25) | 1)CARE A3+ (05-Jul-24) | 1)CARE A3 (07-Jul-23) |
| 4 | Non-fund-based - ST-BG/LC | ST | 21.75 | CARE A3+ | - | 1)CARE A3+ (08-Jul-25) | 1)CARE A3+ (05-Jul-24) | 1)CARE A3 (07-Jul-23) |
| 5 | Fund-based - LT-Term Loan | LT | - | - | - | - | - | 1)Withdrawn (07-Jul-23) |
| 6 | Fund-based - LT-Term Loan | LT | - | - | - | - | - | 1)Withdrawn (07-Jul-23) |
| 7 | Fund-based - LT/ ST-CC/Packing Credit | LT/ST | 18.00 | CARE BBB; Stable / CARE A3+ | - | 1)CARE BBB; Stable / CARE A3+ (08-Jul-25) | 1)CARE BBB; Stable / CARE A3+ (05-Jul-24) | 1)CARE BBB-; Positive / CARE A3 (07-Jul-23) |

LT: Long term; ST: Short term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

## Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---|---|---|
| 1 | Fund-based - LT-Cash Credit | Simple |
| 2 | Fund-based - LT-Term Loan | Simple |
| 3 | Fund-based - LT/ ST-CC/Packing Credit | Simple |
| 4 | Fund-based - ST-Packing Credit in Indian rupee | Simple |
| 5 | Non-fund-based - ST-BG/LC | Simple |

## Annexure-5: Lender details

| |
|---|
| To view lender-wise details of bank facilities please click here |

## Annexure-6: List of facilities/instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

| Sr. No. | Facilities/Instruments Name | Regulator of the Instruments[2] |
|---|---|---|
| 1. | Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities) | SEBI |

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

| Sr. No. | Facilities/Instruments Name | Regulator of the Instruments[2] |
|---|---|---|
| 2. | Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (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 Banks / NBFCs / NHB / FIs ^ | RBI |
| 9. | External Commercial Borrowings and Other Similar Borrowings | RBI |
| 10. | Certificates of Deposit | RBI |
| 11. | Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs | RBI |
| 12. | Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs | MCA |
| 13. | Inter Corporate Deposits / Loans Extended by Corporates | MCA |
| 14. | Borrowing Programme ~ | - |
| 15. | Issuer Ratings # | - |
| 16. | Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs) | SEBI |
| 17. | Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs | SEBI |
| 18. | Listed Security Receipts | SEBI |
| 19. | Unlisted Security Receipts | RBI |
| 20. | Independent Credit Evaluation (ICE) | RBI |
| 21. | Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs) | RBI |
| 22. | Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)) | SEBI |
| 23. | Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)) | MCA |
| 24. | 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.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating reports subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

# There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

## Contact us

| Media Contact | Analytical Contacts |
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**About us:**
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com



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