Pioneer Investcorp Limited

November 04, 2026

Rating Action

Total Bank Loan Facilities Rated	**Rs.120.00 Crore**	**Regulator^**
Long Term Rating	**IVR BBB+/ Stable (Rating Reaffirmed)**	**RBI**
^Kindly note that for activities or 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.		

Instrument	Amount (Rs. crore)	Ratings	Rating Action	Regulator^
Proposed CPs	25.00	IVR A2+	Rating Assigned	RBI
Total	**25.00 (Rupees Twenty-Five Crore Only)**			
^Kindly note that for activities or 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.				

Refer Annexures for details of facilities/instruments, facility wise lender details, and detailed explanation of covenants.

Note: *None of the Directors on Infomerics Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.*

Rationale

Infomerics Ratings has reaffirmed its ratings of "IVR BBB+/ Stable" on the bank loan facilities and assigned IVR A2+ on the proposed Commercial Papers (CPs) of Pioneer Investcorp Limited (PINC).

The ratings continue to factor sound operating structure and secured trading mechanism, established client base backed by experienced management and improving profitability margins. These strengths are, however, constrained by modest scale of operations, moderate financial risk profile along with exposure to market volatility and liquidity risk.

Outlook: Stable

Infomerics Ratings expects outlook to remain stable on the expectations of experience of promoters, stable scale of operations coupled with healthy profitability margins and improvement in financial risk profile of the company.

Analytical Approach

Approach	Comments
Consolidation/ Standalone	Consolidated IVR has analysed consolidated financials of PINC & its wholly owned subsidiaries on account of common management, strong

Approach	Comments
	operational and financial linkages between the entities and use of same brand name "Pioneer"
Parent/ Group Support	Not Applicable

List of companies considered for consolidation/combined analysis is given at Annexure 4.

Key Rating Drivers with Detailed Description

Strengths

Sound operating structure and secured trading mechanism:

PINC Group's trading activities are governed by defined restrictions on the nature of securities traded, holding periods and utilisation of bank facilities. As per the sanction terms, the Federal Bank limits are utilized for trading in Government Securities (G-secs), State Development Loans (SDLs) and corporate bonds, subject to stipulated margin requirements, settlement timelines and other conditions. Securities are required to be churned within the specified period, with maximum holding periods of 30 days for G-secs and 45 days for corporate bonds. Further, the Group follows an internal policy of not maintaining open positions beyond 15 days in these segments and primarily trades in highly rated corporate bonds in the 'AAA' and 'AA' categories.

The Group operates through a structured trading mechanism wherein Federal Bank provides access to the Negotiated Dealing System (NDS) through a gilt account and is authorized to dispose of securities maintained in the Constituent Subsidiary General Ledger (CSGL) account in the event of non-fulfilment of sanctioned conditions. The Group is also required to maintain prescribed daily margins, with additional margins to be provided in the event of a decline in the value of securities. The defined trading framework, shorter holding periods, focus on highly rated securities and bank-imposed controls mitigate the risks associated with trading activities. Supported by this structured business model, the Group's transaction volume in G-secs, SDLs and corporate bonds increased to Rs.9,428.16 crore in FY26 from Rs.8,098.61 crore in FY25, reflecting its ability to scale trading activity within the stipulated framework.

Established Client Base and Experienced Management:

PINC Group has an established clientele comprising mutual fund houses, banks, insurance companies and other institutional investors, which are required to invest funds in specified securities in accordance with applicable regulatory guidelines. The Group's operations are headed by Mr. Gaurang Gandhi, a qualified Chartered Accountant and founder of PINC, who has over three decades of experience in the financial services industry and has advised companies across infrastructure, pharmaceuticals, real estate, consumer durables, engineering and financial services. He is supported by a qualified and experienced second-tier management team across various functions. The Group's established institutional relationships and experienced

management support its operations in corporate bond trading and other debt-securities-related activities.

Improving profitability margins:

PINC Group's EBITDA margin improved to 50.89% in FY26 from 47.59% in FY25, supported by rationalization of operating expenses, while PAT margin increased to 29.00% from 16.89%, driven by growth in absolute EBITDA. Going forward, Infomerics Ratings expects the group's scale of operations to remain modest, given the inherent volatility of the government securities trading business and the dependence of income on the interest rate cycle and prevailing market conditions. While improved operating efficiency and higher investment banking and advisory fees provide support to profitability, the moderation in income from the trading business remains a concern.

Weaknesses

Modest Scale of Operations:

PINC Group's scale of operations remains modest, with total income increasing by around 17% to Rs.54.86 crore in FY26 from Rs.46.70 crore in FY25. However, income from securities trading moderated to around Rs.10 crore in FY26 from around Rs.18 crore in FY25, reflecting the inherent volatility of the business and its dependence on interest rate movements, market conditions and trading opportunities. The decline was partly offset by an increase in investment banking and advisory fee income to Rs.30.14 crore from Rs.12.86 crore. Nevertheless, the increasing reliance on fee-based income exposes the group to risks associated with investment banking and capital market conditions.

Moderate Financial Risk Profile:

PINC Group's financial risk profile remains moderate, supported by an improvement in its leverage and debt protection metrics during FY26. Adjusted overall gearing improved to 1.95x as on March 31, 2026, from 3.08x as on March 31, 2025, while adjusted total outside liabilities to adjusted tangible net worth (ATOL/ATNW) improved to 4.25x from 6.18x over the same period. The improvement in these ratios was partly attributable to the adjustment of investments in its associate, Pioneer Insurance & Reinsurance Brokers Pvt. Ltd. (Rs.112.95 crore), and Siddhi Portfolio Services Pvt. Ltd. (Rs.1.18 crore), against book tangible net worth as on March 31, 2026. Further, the group's debt protection metrics strengthened, with DSCR and ICR improving to 2.32x and 2.26x, respectively, in FY26, supported by higher internal cash accruals.

However, the group's inter-corporate deposits (ICDs) which are repayable on demand increased to Rs.79.13 crore as on March 31, 2026, from Rs.56.76 crore as on March 31, 2025. While the management has indicated that these comprised of dynamic and liquid trade advances linked to business transactions and short-term intercorporate placements made in the ordinary course of the group's fund management, the recoverability and timely realization of these advances remain key monitorable as their repayment is on demand.

Exposure to Market Volatility and Liquidity Risk:

PINC Group is exposed to market risk arising from adverse movements in securities prices due to changes in interest rates and prevailing market conditions. The prices of Government Securities (G-secs) are influenced by changes in domestic interest rates, developments in domestic and international debt and capital markets, and policy actions by the Reserve Bank of India (RBI). Adverse movements in interest rates may result in a decline in the value of securities held by the Group, leading to mark-to-market losses and volatility in earnings. Further, the Group is exposed to liquidity risk arising from the possibility of limited buyer interest or inadequate market liquidity for the securities held. In such circumstances, the Group may be required to liquidate its holdings at unfavorable prices, resulting in losses. However, the trading arrangement requires the Group to maintain upfront margins generally ranging from 5% to 15% of the sanctioned limits, depending on the rating and nature of the securities, providing a cushion against potential losses. Nevertheless, the margin requirements do not eliminate the underlying market and liquidity risks.

Liquidity –Adequate

Liquidity is adequate marked by gross cash accruals (GCA) of Rs.16.28 crores against no major long term debt repayment commitment. The Company has favorable working capital limits utilisation, with average CC utilisation at a low ~14% ending July 2026, providing adequate liquidity cushion. Cash and Bank balance stood at Rs. 0.43 Crore as on September 30, 2026.

Rating Sensitivities

Upward Factors

- Significant growth in scale of operations, supported by higher transaction volumes in securities trading while maintaining healthy profitability margins.
- Sustained improvement in the financial risk profile, marked by lower leverage, stronger debt protection metrics and healthy cash accruals.

Downward Factors

- A significant decline in transaction volumes or investment banking and advisory fee income, resulting in deterioration in profitability and cash accruals.
- Deterioration in the financial risk profile, marked by higher leverage, weakening debt protection metrics or inadequate cash flows to meet debt-servicing obligations.

About the Group

PINC Group, promoted by Mr. Gaurang Gandhi, operates in the financial services sector, primarily engaged in trading and dealing in debt securities, including Government Securities (G-secs), State Development Loans (SDLs) and corporate bonds. The Group also provides investment banking and advisory services, including debt syndication, capital raising and financial advisory services. Its clientele primarily comprises banks, mutual funds, insurance companies and other institutional investors. The Group benefits from the promoter's experience of over three decades in the financial services industry and its established relationships with institutional clients.

About the Company

PINC is an integrated mid-market focused financial services company. It is a SEBI registered Category – I Merchant Banker and provides Investment Banking and Financial Advisory Services. PINC offers a gamut of customized services, which includes formulating capital structure, raising capital, debt restructuring, project financing, coal consultancy and other corporate advisory services. Along with these services the company is also offering its services in the area of secondary capital market like open offer in takeovers, rights issue, buyback, mergers and amalgamation, and valuation assignment. PINC also trades in securities (G-Sec & SDL) and corporate bonds under its proprietary book.

Key Financial Indicators (Consolidated):

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	46.70	54.86
EBITDA	22.23	27.92
PAT	7.89	15.91
Total Debt	138.74	105.39
Tangible Net Worth (TNW)	155.16	170.68
EBITDA Margin (%)	47.59	50.89
PAT Margin (%)	16.89	29.00
Overall Gearing (times)	0.89	0.62
Interest Coverage (times)	1.68	2.26

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Key Financial Indicators (Standalone):

For the year ended/ As on*	31-03-2025	31-03-2026
	Audited	Audited
Total Operating Income	27.30	34.20
EBITDA	8.85	15.87
PAT	3.16	10.80
Total Debt	99.00	50.96
Tangible Net Worth (TNW)	132.60	143.45
EBITDA Margin (%)	32.40	46.39
PAT Margin (%)	8.79	26.41
Overall Gearing (times)	0.75	0.36
Interest Coverage (times)	0.79	1.86

**Classification as per Infomerics' standards; Amount in Rs. Crore; Source: Company*

Applicable Criteria

Rating Methodology for Service Sector companies

Financial Ratios & Interpretation (Non-Financial Sector)

Criteria for assigning Rating outlook.

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Rating criteria on consolidation of Companies

Status of non-cooperation with previous CRA: None

Any other information: Nil

Rating History for last three years

Sr. No.	Instruments/ Facilities	Current Ratings (Year 2026-27)				Rating History for the past 3 years		
		Type (Long Term/ Short Term)	Amount outstanding (Rs. Crore)	Rating		Date(s) & Rating(s) assigned in 2025-26	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in in 2023-24
					Nov 02, 2026	Dec 10, 2025	Sept 13, 2024	Mar 19, 2024
1.	Fund based facilities	LT	120.00	IVR BBB+/ Stable	IVR BBB+/ Stable	IVR BBB+/ Stable	IVR BBB+/ Stable	IVR BBB+/ Negative; ISSUER NOT CO-OPERATING*
2.	Proposed Commercial Papers	ST	25.00	IVR A2+	--	--	--	--

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

Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook	Listing Status	Regulator^	Complexity Indicator
Cash Credit	--	--	--	--	90.00	IVR BBB+/ Stable	NA	RBI	Simple
Cash Credit	--	--	--	--	30.00	IVR BBB+/ Stable	NA	RBI	Simple
Proposed CPs	--	xx, 2026 (Indicative)	--	xx, 2027 (Indicative)	25.00	IVR A2+	Unlisted	RBI	Simple

^Kindly note that for activities or 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.

Annexure 2: Facility wise lender details:

https://infomericstorage.blob.core.windows.net/uploads/Len_Pioneer_Invest04_Nov26_516e6d6bdd.pdf

Annexure 3: Detailed explanation of covenants of the rated Security/facilities:

Issuer	Pioneer Investcorp Ltd.
Type of Instrument	Commercial Paper (Unsecured)
Issue Size	Rs. 25 Crore
Tenor	1 year
Date of Issue	xx, 2026
Date of Maturity	xx, 2027
Face Value	Rs.00
Discount Rate	7-9 % p.a.
Issue Price	Rs.00
Redemption Amount	Rs. 25 Crore
Credit Rating	Infomerics Valuation and Rating Limited
Credit Support	Not applicable
Mode of Issue	Private Placement

Listing	Unlisted
Purpose of Issue	General corporate purpose
Settlement Mode	T+2 basis through NSDL
IPA (Issuing & Paying Agent)	Federal Bank
Depository	NSDL
End-Use of Funds	General corporate purpose
Stamp Duty	Payable as per applicable law
Conditions Precedent	Nil
Governing Law	Indian Law

Annexure 4: List of companies considered for Consolidated/Combined analysis:

Name of the Company	Extent of Consolidation	Rationale for Consolidation
Pioneer Wealth Management Services Limited	Full	Subsidiary
Pioneer Money Management Limited	Full	Subsidiary
Pioneer Investment Advisory Services Limited	Full	Subsidiary
PINC Finserve Private Limited	Full	Subsidiary
Infinity.com Financial Securities Limited	Full	Subsidiary
Pioneer Fundinvest Pvt. Ltd	Full	Subsidiary
E-Ally Securities (India) Private Limited	Full	Subsidiary
Pioneer Insurance & Reinsurance Brokers Private Limited*	Full	Associate

**Control by virtue of shareholding directly and indirectly through Subsidiary i. e E -Ally Securities (India) Private Limited*

Annexure 5: List of activities / instruments and names of regulators

Sr. No.	Instrument / activity Name	Regulator of the instrument
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference Shares	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI)* $	RBI
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 Bank / NBFCs/ NHB/ FIs ^	RBI
9	External Commercial Borrowings and other similar borrowings	RBI
10	Certificates of Deposit	RBI

Sr. No.	Instrument / activity Name	Regulator of the instrument
11a	Fixed Deposits raised by NBFCs, HFCs, FIs	RBI
11b	Fixed Deposits raised by Banks	+
12	Fixed Deposits raised by corporates other than NBFCs, Banks, 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 Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
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)	+
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 @

Footnotes:

** 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), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Infomerics Valuation and Rating Limited 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 during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

+ To be finalized following a discussion with the regulatory authorities.

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