

Ganpatrai Kewalram Agrotech LLP

August 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	53.43	CARE BB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The long-term rating assigned to the bank facilities of Ganpatrai Kewalram Agrotech LLP (GKAL) factors in firm's limited track record of operations, levered capital structure marked by high overall gearing, moderate profitability margins, and constitution of the entity as a Limited Liability Partnership (LLP) firm. However, these rating weaknesses are partially offset by the promoters' extensive experience and growing scale of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Ability of the firm to increase its scale of operations along with PBILDT margin above 6% on a sustained basis.
- Improvement in debt coverage indicators with overall gearing below 2x times on a sustained basis.

Negative factors

- Decline in scale of operations with PBILDT margin below 4% on a sustained basis.
- Deterioration in debt coverage indicators with Total Debt/GCA above 10x on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE's opinion that the firm shall continue to benefit from long-standing experience of the promoters in the industry.

Detailed description of key rating drivers:

Key weaknesses

Leveraged capital structure

The entity's capital structure stood leveraged, as marked by an overall gearing of 3.57x as on March 31, 2025 (4.17x as on March 31, 2024) with high reliance on external debt. Its debt profile comprises term loans, loans from relatives of promoters and working capital borrowings. Further, the debt coverage indicators of the firm stood moderate as reflected by PBILDT interest coverage and total debt/GCA of 3.25x (PY: 3.50x) and 5.29x (PY: 3.70x) in FY25 respectively.

Limited track record of operations

The firm was incorporated in February 2017 and commenced production of agricultural products (whole wheat flour, refined flour (maida), Semolina (Suji), and wheat bran) in September 2022. Although the firm has shown substantial growth in scale of operations, the track record remains limited.

Partnership constitution of entity

GKAL's constitution being a partnership firm has the inherent risk of possibility of withdrawal of the partner's capital at the time of personal contingency and firm being dissolved upon the death/retirement/insolvency of partner.

Vulnerability to volatile raw material prices and susceptible to change in government policies

Wheat is the primary raw material for GKAL. As an agricultural product, its production is heavily influenced by natural factors such as monsoons, leading to price fluctuation risks. Its cultivation relies significantly on irrigation, so irregular rainfall patterns, inadequate irrigation facilities, and pre- and post-harvest losses can greatly affect its production and availability. Thus, raw

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

material price volatility affects profit margins for the firm with raw material constituting ~98% of the total cost of sales. Additionally, wheat prices are impacted by the Minimum Support Price (MSP) set by the government, import duties, and both domestic and international supply demand conditions.

Key strengths

Moderate scale of operations

The scale of operations of the firm grew by ~79% to Rs.234.78 crore (PY: Rs.131.37 crore) in FY25 driven by healthy demand and consequently capacity utilization. However, the profitability margins continued to remain moderate as reflected by PBILDT and PAT margin of 6.04% (PY: 8.49%) and 2.58% (PY: 3.87%) in FY25 respectively. The same moderated in FY25 owing to higher proportion of sales to B2B (Business to business) segment viz-a-viz retail segment (where profitability margins are higher, but collection period is also higher). Going forward CARE expects the firm to maintain PBILDT margin in the range of ~6%-7%.

Experienced Promoters

GKAL is promoted by Mr. Nitin Mittal, who is the designated Partner of the entity, looking after the Sales and Purchase affairs of the business. The procurement of the major raw material i.e. 'Wheat' is mainly looked after by Mr. Nitin Mittal who has over 18 years of industry experience and looks after sales and purchase operations. Chhaya Mittal, Partner oversees marketing and financial management operations.

Liquidity: Stretched

GKAL's liquidity remains stretched, marked by high working capital utilization, with bank limits of ₹30 crore utilized at approximately 91% over the trailing 12 months ending June 30, 2025. The firm had low cash and bank balance of Rs. 0.22 crore as on March 31, 2025. GKAL is not planning to incur any capex in the near to medium term.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Agricultural Food & other Products	Other Agricultural Products

Ganpatrai Kewalram Agrotech LLP (GKAL) is a limited liability partnership incorporated on February 07, 2017, by Nitin Mittal. The firm is engaged in production and distribution of agricultural products. GKAL commenced operations in September 2022 and started marketing its products viz. Whole Wheat Flour (Atta), Refined Flour (Maida), Semolina (Suji) and Wheat Bran under its registered brand name 'Sonepur Mills'. It has a combined installed capacity of 300 Metric Tonnes (MT) per day. These products are directly marketed and sold in bulk as well as in retail packs in ratio of 90:10 respectively.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	131.37	234.78
PBILDT	11.16	14.19
PAT	5.08	6.06
Overall gearing (times)	4.17	3.57
Interest coverage (times)	3.50	3.25

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Detailed explanation of covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in 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		-	-	-	30.00	CARE BB; Stable
Fund-based - LT-Term Loan		-	-	30-09-2027	23.43	CARE BB; Stable

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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	23.43	CARE BB; Stable				
2	Fund-based - LT-Cash Credit	LT	30.00	CARE BB; Stable				

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

Annexure-5: Lender details

To view the lender wise details of bank facilities, please [click here](#)

Note on complexity levels of rated instruments: CARE 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 Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Analytical Contacts Puneet Kansal Director CARE Ratings Limited Phone: 120-4452018 E-mail: puneet.kansal@careedge.in Dhruv Mittal Assistant Director CARE Ratings Limited Phone: 91-120-4452050 E-mail: dhruv.mittal@careedge.in Devang Kapadia Rating Analyst CARE Ratings Limited E-mail: Devang.kapadia@careedge.in
---	---

About us:

Established in 1993, CARE 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, CARE 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, CARE 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. CARE 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

Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CARE and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to https://www.careratings.com/privacy_policy

© 2025, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CARE Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE Ratings.