Anmol India Limited

September 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term / Short Term Bank Facilities	20.00	CARE BBB+; Stable / CARE A2	LT rating reaffirmed and ST rating assigned
Long Term / Short Term Bank Facilities	154.77	CARE BBB+; Stable / CARE A2	Reaffirmed
Short Term Bank Facilities	325.23	CARE A2	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation in the ratings assigned to the bank facilities of Anmol India Limited (AIL) continue to derive strength from the experience of the promoters coupled with long track record of operations and established business relationships with the customers and suppliers. The ratings also factor in average solvency position of the company marked by moderate overall gearing coupled with efficient working capital management. The ratings also take into cognizance the moderation in the operational performance marked by decline in scale of operations coupled with subdued profitability primarily impacted due to subdued demand scenario driven by global factors. The ratings also draw comfort from company's strategic shift of diversifying into steel trading and thereby reducing its reliance on trading of imported coal which is expected to result in more balanced profitability across quarters of a financial year. However, the rating strengths are partially offset by the customer and supplier concentration risk, and inherent risk associated with the trading business. The ratings are also constrained by susceptibility to regulatory changes, volatility in international prices and foreign exchange fluctuations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in Gross Cash Accruals (GCA) of more than Rs. 40 crores.
- Improvement in the capital structure at net debt level (net of lien marked cash and cash equivalents) as reflected by overall gearing below 0.60x.

Negative factors

- Significant decline in the scale of operations with PBILDT (Profit before interest, lease, depreciation, and tax) margin falling below around 1.50%.
- Deterioration in the solvency position at net debt level with overall gearing of above unity owing to increased working capital dependence

Analytical approach: Standalone

Outlook: Stable

The "Stable" outlook of the ratings of the bank facilities of AIL takes into account continuing capabilities of the management due to its long track record of operations to mitigate the inherent risk related to the fluctuations in raw material prices and competitive nature of operations.

Detailed description of key rating drivers:

Key strengths

Experienced and Resourceful promoters

AIL is promoted by Vijay Kumar, Tilak Raj, and Chakshu Goyal. Vijay Kumar has been involved in the same line of operations for more than 35 years. Tilak Raj also has experience of around two decades, while Chakshu Goyal (son of Vijay Kumar) has been engaged in AIL for the last nine years. The promoters are further supported by professional management team having rich experience in respective domain. Besides, the promoters are resourceful and has extended continuous support to fund various requirements of the company in the past in the form of unsecured loans. The unsecured loans from directors stood at Rs. 40.83 crore as on March 31, 2025, of which Rs. 40 crores are subordinated to bank loan.

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

Long track record of operations and established business relationships with the customers and suppliers albeit concentration risk

AIL is engaged in the coal trading business since 1998. Furthermore, the promoters of the company hold extensive industry experience, which has helped the company in building strong business relationships with its clients and suppliers. AIL has a strong and growing customer base in Gujarat, Punjab, Haryana, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Chandigarh among others. Furthermore, the majority of the sales of the company are made against advance orders at the pre-agreed prices, which protects the company from any abrupt fluctuations in the prices of the coal. However, the company derived 44.50% of its total income in FY25 (refers to the period April 01 to March 31) from the top five customers, which slightly increased from 40.54% during FY24. This leads to slightly concentrated revenue stream. On the supplier side also, the top five suppliers contributed 49.81% of the total purchases in FY25 against around 51.66% during FY24. Thus, any change in the policies or performance of the customers and suppliers will directly impact AIL.

Average solvency position

The company's capital structure remained moderate in FY25, with an overall gearing ratio of 1.22x as on March 31, 2025 (PY: 0.78x). On a net debt basis, the overall gearing stood comfortable at 0.24x as on March 31, 2025. The increase in gearing was primarily due to higher utilization of working capital borrowings, particularly supplier's credit, which rose significantly to ₹154.45 crore from ₹44.40 crore in FY24. Despite this increase, the long-term debt profile remains stable, comprising only unsecured loans from promoters and related parties, which are subordinated to bank borrowings and treated as quasi-equity.

The company's interest coverage ratio declined to 1.01x in FY25, down from 2.17x in FY24, reflecting pressure on operating profitability and rising interest costs. This moderation is consistent with the decline in PBILDT and PAT margins during the year, driven by industry-wide challenges in the coal trading sector, including reduced import volumes and increased reliance on domestic coal at higher costs. However, the company benefited from sufficient non-operating income in the form of interest earned on fixed deposits, which supported the efficient management of its debt coverage indicators.

While the capital structure is supported by a healthy net worth of ₹147.47 crore and limited term debt, the elevated working capital borrowings and lower profitability have impacted the overall solvency metrics for FY25. With improvement in the operational performance of the company during Q1FY26 (refers to the period April 1 to June 30) coupled with stable debt position, debt coverage indicators of the company are expected to improve.

Efficient working capital management

The company's operating cycle improved further to 30 days as on March 31, 2025, compared to 37 days in FY24, indicating enhanced efficiency in working capital management. The improvement was primarily driven by better inventory turnover, with average inventory days reducing to 22 days in FY25 from 32 days in FY24.

The company continues to maintain a tight credit policy for its customers, with an average collection period of 18 days in FY25, slightly higher than 15 days in FY24. On the supplier side, the company follows a dual approach—advance payments to domestic suppliers and import transactions backed by sight letters of credit (LCs). These LCs are typically deferred using suppliers'/buyers' credit facilities, with a tenor of around 90 days from the bill of entry date.

As on March 31, 2025, the outstanding suppliers'/buyers' credit stood at ₹154.45 crore, significantly higher than ₹44.40 crore in FY24, reflecting increased reliance on short-term trade credit to manage liquidity and fulfil customer orders amid supply chain disruptions and volatile coal prices.

Key weaknesses

Subdued operational performance

The total operating income (TOI) of the company moderated by around 15% to Rs. 1274.27 crore during FY25. This moderation was primarily attributable to Baltimore port incident, and red sea crisis which resulted in delayed shipment along with muted demand in the coal industry. Despite these challenges, AIL has demonstrated resilience by diversifying into iron and steel trading, which contributed Rs. 222 crore in FY25 and is expected to support future growth. During Q1FY26, the company booked total operating income of Rs. 577.36 crores as against Rs. 520.93 crores during Q1FY25. The profitability of the company also continues to remain moderate as reflected PBILDT and PAT margins of 1.25% and 0.55% respectively, in FY25. The PBILDT margin has moderated during FY25 owing to decrease in realizations. However, the profitability margins have improved in Q1FY26 (PBILDT: 2.19% and PAT: 0.99%) as against Q1FY25 (PBILDT: 1.88% and PAT: 0.76%).

Inherent risk associated with the trading business
The company is exposed to the risks associated with the trading nature of business like inherently low profitability margins, availability of the traded commodity in desired quantity and quality, etc. The company is also exposed to the competition in imported coal trading business due to low entry barriers.

Susceptibility to regulatory changes, volatility in international prices and foreign exchange fluctuations
Coal being a commodity has demonstrated significant volatility in its prices in the past. Imported coal prices are also governed by global demand-supply factors. Accordingly, any sharp adverse fluctuations in the coal prices can affect the profitability of the company. Domestically, coal has remained a highly regulated commodity. Furthermore, coal importers also face regulatory risk in the form of custom duty variations, etc. The company imports during FY25 were recorded at ~Rs. 472 crores which formed around 37% of the total purchases which used be around 57% during FY24. Although the company hedges the pricing and the exchange risk to a large extent, by booking purchases on confirmed buying orders from the customers which is also booked in foreign currency to mitigate raw material fluctuation risk and currency fluctuation risk. Further, it also provides visibility of sales and saves company from high cost on inventory holding. Moreover, company takes EMD (Earnest Money Deposit) money which generally remains at 10% against counter order from their buyer which company supplies to buyers over the period as a when required. However, the profitability margins of the company are still exposed to a significant foreign exchange fluctuation due to absence of any complete hedging mechanism.

Liquidity: Adequate
The company has earned GCA of Rs. 7.39 crores during FY25 and is projecting to generate GCA of around Rs 14 crores and Rs 15 crores in FY25 and FY26 respectively as against nil scheduled repayment obligations as company don't have any term liabilities apart from unsecured loans from related parties of Rs. 40.83 crores. The liquidity is further supported by cash and liquid investments of Rs. 137.60 crore as on March 31, 2025. The current and quick ratio stood at a moderate level of 1.67x and 1.23x, as on March 31, 2025. The working capital utilisation remains 49.80% during last 12 months ending July 2025.

Assumptions/Covenants: Not Applicable

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
Financial Ratios – Non financial Sector
Short Term Instruments
Wholesale Trading

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Initially incorporated in 1998, as a private limited company and converted into public limited company in 2000, AIL is now listed on the Bombay Stock Exchange (BSE). AIL is engaged in wholesale trading of coal: mainly USA Coal, Indonesian coal, domestic coal, petroleum coke (pet coke) and coking coal. During FY25, the company has diversified into trading of iron and steel. AIL has branch offices in Kapurthala (Punjab) and Gandhi Dham (Gujarat) while it also has a warehouse in Ludhiana, Punjab. Presently, the company is importing coal from USA based coal mines while domestically, the company is procuring Indonesian and domestic coal, pet coke and coking coal from traders. AIL is also operating a mobile application, 'Anmol Coal', providing real time information on coal prices and latest news updates on the coal industry which helps in marketing and client acquisition for the company.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	1,501.24	1,274.27	577.36
PBILDT	29.17	15.88	12.69
PAT	20.92	6.95	5.72
Overall gearing (times)	0.78	1.22	NA
Interest coverage (times)	2.17	1.01	2.60

A: Audited UA: Unaudited NA: Not Available; 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: 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	-	-	-	-	20.00	CARE BBB+; Stable / CARE A2
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	-	-	-	-	154.77	CARE BBB+; Stable / CARE A2
Non-fund-based - ST-Forward Contract	-	-	-	-	1.48	CARE A2
Non-fund-based - ST-Letter of credit	-	-	-	-	323.75	CARE A2

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	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	20.00	CARE BBB+; Stable / CARE A2	-	1)CARE BBB+; Stable (21-Aug-24)	1)CARE BBB+; Stable (11-Jan-24) 2)CARE BBB+; Stable (29-Sep-23)	1)CARE BBB+; Stable (24-Feb-23) 2)CARE BBB+; Stable (18-Aug-22)
2	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	154.77	CARE BBB+; Stable / CARE A2	-	1)CARE BBB+; Stable / CARE A2 (21-Aug-24)	1)CARE BBB+; Stable / CARE A2 (11-Jan-24) 2)CARE BBB+; Stable / CARE A2 (29-Sep-23)	1)CARE BBB+; Stable / CARE A2 (24-Feb-23) 2)CARE BBB+; Stable / CARE A2 (18-Aug-22)
3	Non-fund-based - ST-Letter of credit	ST	323.75	CARE A2	-	1)CARE A2 (21-Aug-24)	1)CARE A2 (11-Jan-24) 2)CARE A2 (29-Sep-23)	1)CARE A2 (24-Feb-23) 2)CARE A2 (18-Aug-22)
4	Non-fund-based - ST-Forward Contract	ST	1.48	CARE A2	-	1)CARE A2 (21-Aug-24)	1)CARE A2 (11-Jan-24) 2)CARE A2 (29-Sep-23)	1)CARE A2 (24-Feb-23)

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	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	Simple
2	Non-fund-based - ST-Forward Contract	Simple
3	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

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

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**
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Puneet Kansal Director **CARE Ratings Limited** Phone: 91-120-4452000 E-mail: puneet.kansal@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: 912267543404 E-mail: saikat.roy@careedge.in	Rajan Sukhija Associate Director **CARE Ratings Limited** Phone: 91-120-4452000 E-mail: Rajan.Sukhija@careedge.in Kritika Goyal Analyst **CARE Ratings Limited** E-mail: kritika.goyal@careedge.in

About us:

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