

Vimala Feeds Private Limited

October 09, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	20.00	CARE A; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of the rating assigned to bank facilities of Vimala Feeds Private Limited (VFPL; part of the Hyderabad-based Janki Group) factors in the group's established market presence in the poultry feed industry spanning over 25 years. While the group's total operating income (TOI) moderated to ₹984.59 crore in FY25 from ₹1,074.42 crore in FY24, it remains at a satisfactory level. The rating continues to draw comfort from the group's healthy financial risk profile, characterised by a strong net worth base of ₹471.84 crore as on March 31, 2025, favourable capital structure with an overall gearing of 0.04x, and robust coverage indicators including an interest coverage ratio of 28.82x. Liquidity is further supported by the absence of term debt, unutilised working capital limits, and free cash and liquid investments of ₹77.17 crore as on March 31, 2025. Going forward, the group's ability to improve its scale of operations and profitability will remain a key monitorable.

However, the rating is constrained by exposure to raw material price volatility, geographical concentration risk, susceptibility of the poultry sector to disease outbreaks, and the inherently fragmented and competitive nature of the industry.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improving TOI to over ₹1,800 crore and profit before interest, lease rentals, depreciation and taxation (PBILD^T) margin improving to above 9% on a sustained basis.
- Improving operating cycle.

Negative factors

- Overall gearing deteriorating beyond 0.25x, going forward.
- Sustained TOI below ₹1,000 crore or PBILD^T margins falling below 5%, in coming years.

Significantly elongating operating cycle, impacting company's liquidity.

Analytical approach: Combined

For the purpose of analysis, CARE Ratings Limited (CareEdge Ratings) has combined the financials of three entities of the Janki group: VFPL, Chalimeda Feeds Private Limited (CFPL), and Janaki Feeds Private Limited (JFPL), since these entities are engaged in a similar line of activity, have common promoters, and demonstrate financial and operational linkages. The list of entities considered for combined approach is provided in Annexure-6.

Outlook: Stable

CareEdge Ratings believes that the entity will continue to benefit from the extensive experience of the promoters and management in the industry.

Detailed description of key rating drivers:

Key strengths

Comfortable financial risk profile

The group's financial risk profile remains comfortable, supported by a strong net worth base of ₹471.84 crore as on March 31, 2025, absence of term debt, and minimal reliance on bank borrowings for working capital requirements. The debt coverage indicators are healthy, with overall gearing at 0.04x as on March 31, 2025 (0.04x as on March 31, 2024). Other coverage metrics also remain robust in FY25, reflected in an interest coverage ratio of 28.82x (PY: 19.59x) and total debt to gross cash accruals (GCA) of 0.34x (PY: 0.41x).

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

Long proven track record of business

CFPL is a part of the Hyderabad-based Janki group promoted by C Anand Rao, who has over five decades of presence in the poultry business in Telangana and Andhra Pradesh. The group's operations are presently handled by C Venkateswar Rao, son of C Anand Rao, who is a qualified graduate and has over two decades of experience in the poultry business. He has also been Chairman of the Compound Livestock Feed Manufacturers Association (CLFMA) in 2008-2010. The management also includes the youngest son of C Anand Rao, Madhusudhan Rao, who is a qualified graduate with over two decades of experience in the poultry industry. The management is well supported by a team of qualified professionals down the line.

Established relationship with customer and supplier despite geographic concentration risk

Janaki Group has over two and a half decades of market presence, leading to established and healthy relationships with both customers and suppliers. However, the company's business operations are geographically concentrated, with its customer base primarily covering Telangana and Andhra Pradesh.

Key weaknesses**Decline in revenue from operations; recovery in profitability margins**

In FY25, the group's revenue from operations declined by ~8.36% to ₹984.59 crore (FY24: ₹1,074.72 crore), primarily considering a ~7% drop in feed sales volumes and a ~14% fall in average feed prices. The decline in sales volumes was attributable to certain large customers shifting to in-house feed production through their own units. Meanwhile, the reduction in feed prices was driven by a fall in soya prices, the key raw material for feed manufacturing. Despite the revenue contraction, profitability improved, with PBILDT margin increasing to 6.80% in FY25 (PY: 5.29%) and profit after tax (PAT) margin to 4.29% (PY: 3.33%), largely supported by lower input costs arising from the decline in soya prices.

Vulnerability of industry's performance to outbreaks of flu and other diseases

Irregular outbreaks such as Coronavirus, bird flu, and avian flu have historically impacted the poultry industry, causing a drastic fall in demand, a crash in poultry prices, and heavy losses for poultry farmers, as government agencies often destroy large numbers of chicks to prevent the spread of disease. The vulnerability to such flu outbreaks always exists, potentially impacting the fortunes of companies related to the poultry sector. There have been several instances of disease outbreaks in poultry products in India, reducing demand and causing inventory losses. CareEdge Ratings observes, to mitigate these risks, the company has developed its farms at different locations to reduce the chances of the spread of contagious disease.

Highly fragmented and competitive nature of industry

The company primarily engages in manufacturing poultry feed, making its demand closely linked to the fortunes of the poultry industry. This industry is driven by regional demand and supply due to transportation constraints and the perishable nature of the products. Additionally, poultry meat is predominantly sold as live birds, as consumers prefer to buy live poultry and have it cleaned before consumption. The low capital intensity and low entry barriers facilitate the entry of unorganised players, leading to high competition and fragmentation, which in turn affects profitability.

Profitability margins are susceptible to fluctuation in raw material prices

The prices of key raw materials, maize and soya, remain volatile considering movement in global prices and production which in turn impacts the profitability of the company, since of the total cost, 80% of the cost pertains to raw material. Hence, adverse movement in the raw material prices impacts the company's profitability. However, the company holds the inventory of around two months to mitigate the price fluctuation risk.

Liquidity: Adequate

The group's liquidity position remains adequate, supported by net cash flow from operations of ~₹45 crore and GCA of ₹55.16 crore in FY25 against nil debt repayment obligations. Liquidity is further strengthened by cash and liquid investments of ~₹77.17 crore as on March 31, 2025, and nil utilisation of working capital limits in the 12 months ended June 30, 2025. The current ratio stood healthy at 9.00x as on March 31, 2025 (9.12x as on March 31, 2024), while the quick ratio remained comfortable at 5.10x (5.13x as on March 31, 2024).

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](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Consolidation](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast moving consumer goods	Fast moving consumer goods	Food products	Animal feed

VFPL and CFPL are a part of the Telangana-based Janki group. CFPL is engaged in manufacturing poultry feed at its unit in Karimnagar, Telangana. This apart, the company has a solvent extraction unit at Siddipet. CFPL has an installed feed capacity of 850 tonne per day (TPD). VFPL is engaged in manufacturing poultry feed. VFPL currently operates through three facilities – two units in Telangana and one in Andhra Pradesh. VFPL has an installed capacity of 60 tonnes per hour (TPH).

Janaki Group - Combined

Brief Financials (₹ crore)	March 31, 2023 (UA)	March 31, 2024 (UA)	March 31, 2025 (UA)
Total operating income	1458.17	1074.42	984.59
PBILDT	103.72	56.81	66.96
PAT	68.21	35.82	42.25
Overall gearing (times)	0.10	0.04	0.04
Interest coverage (times)	33.30	19.59	28.82

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

VFPL - Standalone

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	844.98	679.40	633.45
PBILDT	51.51	33.67	33.93
PAT	35.43	23.10	20.79
Overall gearing (times)	0.05	0.05	0.05
Interest coverage (times)	41.96	26.44	25.21

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: 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		-	-	-	20.00	CARE A; 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-Cash Credit	LT	20.00	CARE A; Stable	-	1)CARE A; Stable (23-Aug-24)	1)CARE A; Stable (26-Jul-23)	-

LT: Long 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

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here
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Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Vimala Feeds Private Limited	Full	Operational and financial linkages
2	Chalimeda Feeds Private Limited	Full	Operational and financial linkages
3	Janaki Feeds Private Limited	Full	Operational and financial linkages

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

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