

Aimco Pesticides Limited

October 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	21.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE BB; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	1.00	CARE A4; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. has been seeking information from Aimco Pesticides Limited (APL) to monitor the rating(s) vide e-mail communications/letters dated August 11, 2025, September 19, 2025, and September 23, 2025, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on ABC Ltd.'s bank facilities and/or instruments will now be denoted as **CARE BB-; Stable/CARE A4; ISSUER NOT COOPERATING***.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

The ratings has been revised on account of subdued operational performance of the company in FY25 due to continuing headwinds in the agrochemical industry. The company has reported cash loss of Rs. 5.74 crore in FY25 as compared to cash loss of Rs. 8.91 crore in FY24. The profitability of APL continues to be affected as it faced intense competition from Chinese products and decline in demand in the export market. The ratings continue to be constrained by modest scale of operations, low profitability due to limited value addition, working capital intensive nature of operations, exposure to competition and susceptibility to regulatory changes and seasonality inherent in the agrochemicals sector. The ratings are however supported by extensive experience of the promoters in agrochemicals industry, diversified revenue stream with presence across agrochemical value chain and established customer base.

Analytical approach: Standalone

Outlook: Stable

CARE Edge believes that the company will continue to benefit from its established market position and diverse product profile.

Detailed description of key rating drivers:

At the time of last rating on October 03, 2024, the following were the rating strengths and weaknesses (updated for the information available from stock exchange)

Key weaknesses

Cash losses reported in FY25:

The company reported cash loss of Rs. 5.74 crore in FY25 as compared to cash loss of Rs. 8.91 crore in FY24. The profitability in FY25 continued to be affected as APL had faced intense competition from Chinese products and demand declined owing to increased channel inventory. The domestic formulation market which contributed around 49% of total income for the company in FY24 is expected to do well in FY25.

High working capital intensity:

The operations of the company are working capital intensive in nature. Since around half of the raw material requirements are imported, the company has to maintain inventory of around 3-4 months. Further given the seasonality of the sales, the company is required to maintain high finished goods inventory at the beginning of the kharif and rabi seasons. The inventory period has elongated in FY25 to 120 days as compared to 114 days in FY24. The average creditor period remains high as the company gets clean credit of 90-120 days from its suppliers. The operating cycle is low due to late payment to creditors. The company had managed to fund its working capital gap by internal accruals, stretching the creditors and utilisation of working capital funds.

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

High dependence on imports from China:

The company sources significant quantity of raw materials from China. Further, it is dependent on China for few of its end products which is completely manufactured using imported raw material. The company wants to shift its reliance from China & depend more on local sources. Thus, the company is exposed to concentration risk. Any significant disruption in supply from China can have an adverse impact on the company's operations, though company is finding substitutes from local markets to cater its requirements for raw materials to avoid this.

Low profitability due to limited value addition

The company is mainly involved in manufacturing of technical products & branded formulations. Technical products is a low margin business as compared branded formulations. In FY24 & going forward, the company is planning to shift its focus on branded formulations. The company is exposed to volatility in input prices and has limited pricing power.

Exposure to competition, regulatory changes and seasonality in the agrochemicals sector

The domestic agrochemical formulations industry has numerous organised and unorganised players. As the company is into generic molecules, it faces intense competition from organised as well as unorganised players in the domestic market. Also, the domestic agrochemicals sector is dependent on monsoon and the level of farm income. The business of the company like other agrochemical manufacturers, may also be impacted by regulatory changes, such as export and import policies, registration policies and product and environment safety requirements. In the export market also, the company remains susceptible to various environmental rules and regulations in different countries

Key strengths

Extensive experience of promoters in agrochemical industry:

APL is a diversified player in the Agrochemicals space. The promoter Mr. Pradeep P Dave have more than four decades of experience in the pesticides Industry and serves as the President of Pesticides Manufacturers & Formulators Association of India (PMFAI). He also gets supports from other directors having 20+ years' experience who looks after various aspects of the company.

Diversified customer base with track record of repeat business:

The company has a diversified customer profile with top ten customers contributing to more than 50% of the total revenue during FY24. The company has established long -term relationships with most of its customers resulting into repeat business. Further, in FY25 APL has started manufacturing of 3 new molecules. The addition of these molecules to its product portfolio will enable APL to increase its revenue and report better profitability as they are not supplied by the Chinese players on a large scale.

Liquidity: Stretched

The company's liquidity is stretched owing to continued cash losses in FY25, term loan repayment obligation and high working capital utilisation. In FY25 APL reported cash losses of Rs 5.74 crores. The average utilisation of its cash credit facility (Rs 8 crores) was ~96% and for EPC/PCFC facility (Rs 13 crores) it was ~72% for the 12 months ending August 2024. As on March 31, 2025 APL had cash/bank balance of Rs 4.12 crores.

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[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
Commodities	Chemicals	Chemicals & Petrochemicals	Commodity Chemicals

Founded in 1987 by Mr. Pradeep Dave & JP Dave, Aimco Pesticides Limited is a diversified agrochemical company that manufactures, markets, and exports technical grade chemicals & formulations of insecticides, fungicides, and herbicides. The company predominantly focuses on technical grade chemicals with the same contributing around 51% of total revenue in FY24.

The company operates out of one manufacturing unit located at Lote Parshuram, Ratnagiri in the state of Maharashtra with installed capacity of 18,500 MT per annum.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	June 30, 2025 (UA)
Total operating income	207.42	197.87	47.95
PBILDT	-7.22	-3.29	-1.35
PAT	-9.79	-7.39	-1.78
Overall gearing (times)	0.58	0.70	NA
Interest coverage (times)	-2.73	-1.06	NA

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based/Non-fund-based-LT/ST		-	-	-	16.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	5.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Forward Contract		-	-	-	1.00	CARE A4; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	31-03-2027	3.00	CARE BB-; Stable; ISSUER NOT COOPERATING*

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

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/Non-fund-based-LT/ST	LT/ST	16.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4 (03-Oct-24) 2)CARE BB; Stable / CARE A4 (06-Jun-24)	1)CARE BB+; Stable / CARE A4+ (29-Sep-23) 2)CARE BB+; Stable / CARE A4+ (20-Jul-23)	1)CARE BBB-; Stable / CARE A3 (06-Oct-22)
2	Fund-based/Non-fund-based-LT/ST	LT/ST	5.00	CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable / CARE A4 (03-Oct-24) 2)CARE BB; Stable / CARE A4 (06-Jun-24)	1)CARE BB+; Stable / CARE A4+ (29-Sep-23) 2)CARE A4+ (20-Jul-23)	1)CARE A3 (06-Oct-22)
3	Non-fund-based - ST-Forward Contract	ST	1.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (03-Oct-24) 2)CARE A4 (06-Jun-24)	1)CARE A4+ (29-Sep-23) 2)CARE A4+ (20-Jul-23)	1)CARE A3 (06-Oct-22)
4	Term Loan-Long Term	LT	3.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (03-Oct-24) 2)CARE BB; Stable / CARE A4 (06-Jun-24)	1)CARE BB+; Stable / CARE A4+ (29-Sep-23) 2)CARE A4+ (20-Jul-23)	1)CARE A3 (06-Oct-22)

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

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/Non-fund-based-LT/ST	Simple
2	Non-fund-based - ST-Forward Contract	Simple
3	Term Loan-Long Term	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.

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