

Agrawal Roadlines Private Limited

November 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	18.21	CARE BB-; Negative	Assigned
Long Term / Short Term Bank Facilities [^]	12.00 (Enhanced from 6.00)	CARE BB-; Negative / CARE A4	LT rating reaffirmed and ST rating assigned
Long Term / Short Term Bank Facilities	8.65	CARE BB-; Negative / CARE A4	Reaffirmed
Long Term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

[^]Bank Facilities are reclassified from LT to LT/ ST.

Rationale and key rating drivers

Ratings assigned to the bank facilities of Agrawal Roadlines Private Limited (ARPL) continue to remain constrained on account of moderate scale of operations albeit growing and moderate profitability during FY25 with highly leveraged capital structure and moderate debt coverage indicators. Further, ratings continue to remain constrained due to presence in highly fragmented and competitive road transportation industry along with stretched liquidity.

The ratings, however, continue to derive strength from experienced promoters in transportation and logistics business, established track record of operations and established relationship with reputed clientele.

Rating assigned to Working capital demand loan facility has been withdrawn as the same has been renewed as sublimit of the Cash Credit facility as per bank's sanction letter.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Sustaining scale of operations marked by Total operating income (TOI) and sustaining PBILDT margin at 10% and above- with improvement in capital structure marked by overall gearing below 3.5 times
- Improvement in debt coverage indicators marked by TDGCA of 4.00 years or below

Negative factors

- Deterioration in scale of operations with TOI below Rs.150 crore on a sustained basis
- Delay in infusion of funds in form of unsecured loans to meet working capital requirement and debt repayment obligations
- Deterioration in debt coverage metrics as marked by Total debt/ PBILDT above 4x on sustained basis

Analytical approach: Standalone

Outlook: Negative

CARE Ratings Limited (CareEdge Ratings) has continued the 'Negative' outlook due to continuous avilment of term debt for addition of new fleet, leading to deterioration in leverage position and high debt repayment obligations. The outlook may be revised to stable with improvement in capital structure.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale of operations and profitability

Scale of operations though improved, remained moderate as marked by TOI of Rs.321.83 crore in FY25 as against Rs.241.19 crore in FY24 majorly on account of trading activity of raw salt commenced from FY25. Consequently, operating profit increased from Rs.41.45 crore in FY24 to Rs.49 crore in FY25. However, PBILDT margins continue to remain in moderate range at 15.23% in FY25 (FY24: 17.18%) PAT margin remained thin at 1.95% in FY25 as against 1.77% in FY24 with increase in operating profits being offset by elevated depreciation and finance costs. During H1FY26, ARPL reported TOI of Rs.159.69 crore with PBILDT and PAT margin of 22.11% and 3.64% respectively.

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

Leveraged capital structure and moderate debt coverage indicators

ARPL's capital structure deteriorated and continued to remain leveraged as marked by overall gearing of 6.61x as on March 31, 2025 as against 5.06x as on March 31, 2024, on account of additional term debt availed for purchase of new vehicles to cater the growing demand from its customers. Further, it remained at 5.38x as on September 30, 2025. Debt coverage indicators continued to remain moderate as marked by interest coverage ratio of 3.16x in FY25 and 3.32x in H1FY26 (FY24:3.44x). Total debt to Gross cash accruals (TDGCA) remained high at 7.08x in FY25 as against 5.20x in FY24 with higher debt as on balance sheet date.

Highly competitive nature of transportation and logistics business with presence of large number of small players

Around 80-85% of the road freight transport industry consists of small transport operators that own less than five trucks, are fragmented and unorganized. The highly fragmented and unorganized nature of the industry results in intense price competition and may lead to pressure on the company's profitability in case of adverse situations. However, the players with superior quality of service and presence in different locations across country and clientele across various industries would enjoy competitive edge and would be able to garner more business and long-term contracts. Logistics operations are dependent on the overall economic condition of the country. Higher economic activity translates into higher freight movement which drives demand for road freight transport industry.

Key strengths**Experienced and resourceful promoters**

Promoted by Mr. Satyanarayan Agrawal, ARPL's current directors include Mr. Narsingh Agrawal [looks after overall operations] and Mr. Rajesh Agrawal [looks after finance function]. All the promoters are actively involved in the business and are supported by the second-generation family members including Mr. Jatin Agrawal and Mr. Pranav Agrawal holding more than one and a half decade of experience and handling marketing function, Mr. Rahul Agrawal [7 years of experience] looks after operations. Moreover, promoters are resourceful and infuse funds in the form of unsecured loans in the company as and when required to support its operations or for the purpose of external debt repayment.

Established track record of operation

ARPL has a long track record of operation of over three decades. It is engaged in transportation activity of mainly liquid cargo and provides tankers/trucks and other transportation services for various industries. Over the years it has increased its owned vehicle fleet to 917 vehicles [P.Y.: 708] as on March 31, 2025.

Established relationship with reputed clientele and medium tenure of contracts with them

ARPL has long-standing relationship with many of its reputed customers since inception. Its major customers include Indian Oil Corporation Limited (IOCL; CARE AAA; Stable/ CARE A1+), Bharat Petroleum Corporation Limited (BPCL), Nayara Energy Limited (NEL; CARE AA-; Stable/ CARE A1+) and Brahmaputra Cracker & Polymer Limited. Top 10 customers contribute ~40% of its TOI during FY25 (FY24: 42%). ARPL has been able to get regular orders from these clients.

Liquidity: Stretched

ARPL's liquidity remained stretched as marked by high utilization of working capital limits, insufficient cash accruals as against debt repayment obligations and elongated operating cycle. Gross cash accruals of ~Rs.34 crore generated in FY25, remained insufficient to repay term debt obligations of ~Rs.65 crore arising in FY26. However, promoters are resourceful and support operations of the entity through unsecured loans as and when required. The average utilization of working capital limits for the past twelve months ended October 31, 2025, remain high at around 80-85%. Unencumbered cash and bank balance remained at Rs.25.53 crore as on March 31, 2025. Operating cycle continued to remain moderate at 92 days in FY25 as against 82 days in FY24 owing to higher collection period. Cash flow from operations remained at Rs.5.84 crore in FY25 as against Rs.21.85 crores in FY24.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Transport Services	Road Transport

Incorporated in 1988, Gandhidham based Agrawal Roadlines Private Limited (ARPL) was promoted by Late Mr. Satyanarayan Agrawal. ARPL is engaged in transportation activity and provides tankers/truck and other transportation services for various industries, including chemical, oil and gas, edible oil and agro commodity and have a fleet of 1167 vehicles (Owned:917, Rental: 250) [P.Y.: 958 vehicles; Owned:708, Rental: 250] as on March 31, 2025. The other entity of the group i.e., Agrawal Automobiles (AGA) is engaged in the trading of petroleum products through its fuel station located in Kutch District and providing transportation services, Kandla Motors Private Limited engaged in dealership of Ashok Leyland, Indo Brine Industries Limited engaged in edible salt etc.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	241.19	321.83	159.69
PBILDT	41.45	49.00	35.31
PAT	4.28	6.26	5.81
Overall gearing (times)	5.06	6.61	5.38
Interest coverage (times)	3.44	3.16	3.32

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-Term Loan		-	-	31-08-2029	18.21	CARE BB-; Negative
Fund-based - LT-Working Capital Demand loan		-	-	-	0.00	Withdrawn
Fund-based - LT/ ST-Cash Credit		-	-	-	12.00	CARE BB-; Negative / CARE A4
Non-fund-based - LT/ ST-Bank Guarantee		-	-	-	8.65	CARE BB-; Negative / CARE A4

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/ST-Cash Credit	LT/ST	12.00	CARE BB-; Negative / CARE A4	-	1)CARE BB-; Negative (06-Nov-24)	1)CARE BB; Negative (07-Dec-23)	1)CARE BB; Stable (02-Dec-22)
2	Fund-based - LT-Working Capital Demand loan	LT	-	-	-	1)CARE BB-; Negative (06-Nov-24)	1)CARE BB; Negative (07-Dec-23)	1)CARE BB; Stable (02-Dec-22)
3	Non-fund-based - LT/ ST-Bank Guarantee	LT/ST	8.65	CARE BB-; Negative / CARE A4	-	1)CARE BB-; Negative / CARE A4 (06-Nov-24)	1)CARE BB; Negative / CARE A4+ (07-Dec-23)	1)CARE BB; Stable / CARE A4+ (02-Dec-22)
4	Fund-based - LT-Term Loan	LT	18.21	CARE BB-; Negative				

LT: Long 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-Term Loan	Simple
2	Fund-based - LT-Working Capital Demand loan	Simple
3	Fund-based - LT/ ST-Cash Credit	Simple
4	Non-fund-based - LT/ ST-Bank Guarantee	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

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Kalpesh Ramanbhai Patel Director CARE Ratings Limited Phone: 079-40265611 E-mail: kalpesh.patel@careedge.in</p> <p>Sajni Shah Assistant Director CARE Ratings Limited Phone: 079-40265636 E-mail: Sajni.Shah@careedge.in</p> <p>Nandini Bisani Analyst CARE Ratings Limited E-mail: Nandini.Bisani@careedge.in</p>
--	---

About us:

Established in 1993, CareEdge 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, CareEdge 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, CareEdge 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. CareEdge 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 CareEdge Ratings 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.

**For detailed Rating Report and subscription information,
please visit www.careratings.com**