

## K.P. Manish Global Ingredients Private Limited

December 30, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	68.08	CARE BBB+; Stable	Assigned
Short-term bank facilities	55.00	CARE A2	Assigned

Details of instruments/facilities in Annexure-1

### Rationale and key rating drivers

Ratings assigned to bank facilities of K. P. Manish Global Ingredients Private Limited (KPMGI) derive comfort from experienced promoter group with over six decades in the ingredients trading business, long-standing relationship with suppliers, and reputed client base. Ratings also factor KPMGI's growing scale of operations and a comfortable capital structure. However, ratings remain constrained due to the working capital intensive business, supplier concentration risk, profitability vulnerable to exchange rate fluctuations, and KPMGI's exposure to group companies.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Diversification in product portfolio and improvement in total operating income (TOI) above ₹1,800 crore while maintaining profit before interest, lease rentals, depreciation, and taxation (PBILDT) margins over 10% on a sustained basis.

#### Negative factors

- Deterioration in TOI below ₹1,000 crore.
- Decline in PBILDT margins below 7.00%
- Any further increase in exposure to related parties resulting deterioration in adjusted gearing above 0.50x.

### Analytical approach: Standalone

### Outlook: Stable

The 'Stable' outlook reflects that the company will continue to benefit from the extensive experience of the promoters and established relationships with customers.

### Detailed description of key rating drivers:

#### Key strengths

##### Growing scale of operations

KPMGI has scaled its operations to ₹1,392 crore in FY25 (FY refers to April 01 to March 31), registering a compound annual growth rate (CAGR) of 22% over the last five years. This growth has been driven by an expanding product portfolio, addition of new customers, and rising demand in end-user industries such as nutraceuticals, pharmaceuticals, and food processing. PBILDT margins in the range of 9-11% and profit after tax (PAT) margins in the range of 6-7% in the last three years. The margin profile is supported by niche product categories and exclusive distribution rights from key suppliers. In H1FY26, the company achieved revenue of ₹762.67 crore.

##### Diversified product offering and long-standing relationship with customers and suppliers

KPMGI manages between 500-600 product lines of over 45 principals, serving ~4,000 customers across food, nutraceuticals, pharmaceuticals, and cosmetics, offering a diverse product portfolio including amino acids, carotenoids, cocoa powder, dairy ingredients, food excipients, extracts, fatty esters and glycerides, fibres and gums, catering to applications in bakery, beverages, confectionery, supplements, syrups, and tablets. Nutraceuticals account for ~42% of TOI, while the food and pharma segments contribute 25-30% each, with the balance coming from cosmetics. Top clientele includes marquee names, including Nestlé India, Parag Milk Foods, Sun Pharmaceutical Industries, and Hindustan Unilever. In FY25, top 10 customers accounted for 31% of the TOI.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

**Experienced promoter group with established track record of operations**

Founded in 1959 by late Kwarlal Jain, the business is currently led by K Parasml Jain and his sons Manish, Deepak, and Vishal Jain, who have strengthened KPMGI position as a leading supplier of ingredients to the pharma, nutraceutical, food, and cosmetic industries. Over the years, the group has pursued segment diversification. It entered the food segment in 2006, expanded into nutraceuticals in 2010, and ventured into cosmetics in 2023, aligning with market trends. In 2012, KPMGI entered active pharmaceutical ingredient (API) and ingredient manufacturing segments.

**Comfortable capital structure and debt coverage metrics**

The company maintains a healthy capital structure supported by a strong net worth base of ₹454 crore against total debt of ₹64.48 crore as on March 31, 2025, which also includes unsecured loans from related parties of ₹10.83 crore. Overall gearing remains comfortable at 0.14x (PY: 0.14x) as on March 31, 2025. Debt coverage indicators are robust, with an interest coverage ratio of 8.10x (PY: 7.92x) and total debt to gross cash accruals (GCA) at 0.73x (PY: 0.62x) as on March 31, 2025.

Majority working capital requirements are met through internal accruals, reducing reliance on external borrowings. The company's scale of operations and stable operating margins, despite the trading nature of business, have contributed to a strong net worth position. Going forward, sustaining operating margins will be critical to maintaining the healthy capital structure and strong coverage metrics.

**Key weaknesses****Working capital intensive business**

KPMGI's operations are working capital intensive in nature, as reflected in its FY25 operating cycle of 83 days and gross current asset days of 122 days. While customers are extended an average credit period of ~90 days, the company receives only 30–60 days from suppliers, creating a structural gap that requires continuous liquidity management. Inventory holding and extended receivable cycles require continuous availability of funds, making efficient working capital management critical for operations.

**Supplier concentration and exposure to foreign exchange risk**

The company's procurement profile indicates supplier concentration and significant reliance on imports. In FY25, the top 10 suppliers accounted for 48% of total purchases, compared to 39.73% in FY24. Around 95% of ingredients are imported, primarily from China and the US followed by Germany, Canada, and Australia. This concentration exposes the business to supply chain disruptions and dependency on a limited set of global vendors. High import reliance makes the profitability vulnerable to foreign exchange fluctuations. Additionally, changes in government trade policies, import duties, or geopolitical developments in key sourcing countries could materially impact cost structures and supply continuity. While long-standing supplier relationships and experience in international procurement provide some mitigation, diversifying sourcing and implementing risk management measures will be critical as operations scale further.

**Exposure to group companies and related parties**

As on March 31, 2025, the company had extended loans and advances of ₹64.66 crore to group entities, such as Sattva Vaid Nature's Global Pvt. Ltd., Kawman Exact Ingredients Pvt. Ltd., and Kawman Lifesciences Pvt. Ltd. and ₹21.75 crore to other related parties, aggregating to ₹86.41 crore, representing 19% of the company's net worth. Adjusted overall gearing stood at 0.18x as on March 31, 2025. These three entities have been recently incorporated to undertake manufacturing of herbal and plant extracts and specialty chemicals related to Nutraceutical, Pharma, and Food segment. All three units are currently in the product-development and project stage and are expected to become operational from FY27, as their major capex cycle is largely complete. The total project cost for these entities was ~₹85 crore, fully funded by the promoters and by loans and advances from KPMGI. No term debt has been availed for these projects, and the management does not expect significant incremental exposure from KPMGI and the companies are expected to borrow on their own books for working capital requirements.

KPMGI is also engaged in manufacturing pharma APIs and advanced intermediaries through a plant acquired from Aurobindo Pharma in 2012, which is proposed to be demerged into a separate entity, Kawman Pharma Pvt. Ltd. Although the unit was acquired earlier, commercial production started only four years ago due to extended product-development and validation cycles. The division reported ₹48 crore of TOI in FY25 but has remained loss-making due to its initial scale-up phase. The company expects the division to break even as trials for existing molecules conclude. While the promoters have a limited track record in manufacturing, relationships with established clients are expected to support revenue visibility in the stabilisation phase.

### Liquidity: Adequate

The liquidity of KPMGI is adequate with scheduled debt repayments of ~₹2.5 crore in FY26 against the expected GCA of ~₹95-100 crore in the same period. As on March 31, 2025, the company had free cash and bank balance amounting to ₹11.77 crore. The average fund-based working capital utilisation was 43% in the past 12 months ending October 2025. The current ratio also stood comfortable at 3.13x as on March 31, 2025 (PY: 5.59x). Working capital cycle days stood at 83 days in FY25.

### Applicable criteria

- [Definition of Default](#)
- [Liquidity Analysis of Non-financial sector entities](#)
- [Rating Outlook and Rating Watch](#)
- [Manufacturing Companies](#)
- [Financial Ratios – Non financial Sector](#)
- [Short Term Instruments](#)
- [Wholesale Trading](#)

### About the company and industry

#### Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Commodities	Chemicals	Chemicals and petrochemicals	Trading - chemicals

KPMGI is a Chennai-based company engaged in trading of ingredients across the food, pharma, nutraceutical, and cosmetics sectors. It is a family-owned business, originally established by the late Kwarlal Jain in 1959. Over the years, the company has diversified into various segments, beginning with the food segment in 2006, followed by the nutraceutical segment in 2010, and most recently the cosmetics segment in 2023. The company is currently managed by third generation family. In 2012, KPMGI acquired a manufacturing facility from Aurobindo Pharma in Cuddalore, Tamil Nadu, marking its entry into manufacturing pharmaceutical ingredients. It has a pan-India presence, offices at Chennai (HO), Mumbai, Delhi, Ahmedabad, Hyderabad, Baddi and representatives at locations throughout the country and has a warehousing capacity of ~1 lakh square feet and a workforce of over 190 employees.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	1,089.91	1,256.08	1,392.55
PBILDT	121.19	123.44	130.07
PAT	77.62	74.94	80.83
Overall gearing (times)	0.20	0.14	0.14
Interest coverage (times)	8.82	7.92	8.10

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

**Status of non-cooperation with previous CRA:** KPMGI has not co-operated with India Ratings, where it has classified the issuer as 'ISSUER NOT COOPERATING' vide its press release dated July 22, 2025. The reason provided by India Ratings has not received adequate information and has not been able to conduct management interactions with KPMGI while reviewing ratings.

**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		-	-	-	64.00	CARE BBB+; Stable
Non-fund-based - ST-Letter of credit		-	-	-	55.00	CARE A2
Term Loan-Long Term		-	-	31-03-2027	4.08	CARE BBB+; 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	Term Loan-Long Term	LT	4.08	CARE BBB+; Stable				
2	Fund-based - LT-Cash Credit	LT	64.00	CARE BBB+; Stable				
3	Non-fund-based - ST-Letter of credit	ST	55.00	CARE A2				

LT: Long term; ST: 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	Non-fund-based - ST-Letter of credit	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.

## Contact Us

<p><b>Media Contact</b></p> <p>Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a></p> <p><b>Relationship Contact</b></p> <p>Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: +91 22 6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a></p>	<p><b>Analytical Contacts</b></p> <p>Sandeep P Director <b>CARE Ratings Limited</b> Phone: +91 44 2850 1002 E-mail: <a href="mailto:sandeep.prem@careedge.in">sandeep.prem@careedge.in</a></p> <p>Ali Monish P E Assistant Director <b>CARE Ratings Limited</b> Phone: +91 44 2850 1021 E-mail: <a href="mailto:alimonish.p@careedge.in">alimonish.p@careedge.in</a></p> <p>Nitish Kumar Mahto Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:Nitish.kumar@careedge.in">Nitish.kumar@careedge.in</a></p>
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