International Agricultural Processing Private Limited

January 13, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	3.52	CARE D	Downgraded from CARE BB; Stable
Short Term Bank Facilities	67.50	CARE D	Downgraded from CARE A4+

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in the ratings assigned to the bank facilities of International Agricultural Processing Private Limited (IAPPL) factors in delays in debt servicing identified during CARE Ratings Limited (CareEdge Ratings) due diligence.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Satisfactory track record of timely repayment and servicing of debt obligations for a continuous period of 90 days.

Analytical approach: Standalone

Detailed description of key rating drivers:

Key weaknesses

Delay in debt servicing

As per the lender feedback obtained as part of the due diligence exercise conducted by CareEdge Ratings, there have been overdue for a period of more than 30 days in the packing credit facility availed by IAPPL. The packing credit facility was availed by the company basis an order from the parent company for supply to USA. The shipments to the parent were delayed post the evolving operating scenario arising out of the imposition of the tariff by the USA and hence this created a liquidity strain on IAPPL.

Moderate scale of operations with volatile profit margins

The company's revenue increased to ₹158.16 crore in FY25 from ₹127.68 crore in FY24, supported by higher export demand for gherkins. PBILDT margins declined to 5.48% (PY: 8.04%) due to higher raw material costs. Profitability has shown fluctuations over the years, and maintaining current levels will be an important monitorable. Since the company derives most of its revenue from processed gherkins, performance remains subject to seasonality and agricultural output.

Client concentration risk

The revenue of the company is entirely generated by way of export sales to countries like Canada, Germany, Netherlands, USA and Japan. Further, the top five customers of IAPPL constitute almost around 75-80% of the revenue, of which around 60% of the sales is to the parent company of the group, Marcatus QED INC, Canada. This keeps the revenue concentration high.

Highly competitive and seasonality associated with agro-based business

The gherkins industry is highly fragmented and there is strong competition from both organized as well as unorganized players in the domestic industry. This apart, the company could face competition from other gherkin-exporting nations like Germany and Turkey in the global market. The yield from cultivation can vary depending on changes in the climatic conditions impacting the material availability.

Key strength

Experienced management team and long track record of the group

IAPPL has been operating since 1998 and engaged in processing and selling of Gherkins and other vegetables. The company was acquired by M/s. Marcatus QED INC (MQED), Canada during 2011 which is one of the established agro food players in the globe. MQED is operating since 2001 with a track record of more than two decades of operations and is one of the major gherkins and other agro based products traders in western and other European countries. Currently IAPPL managed by the directors Somanna Kaveriappa Mukkatira, Ajay Kumar Kanhangad Madathil and Alok Aurovillian ably assisted by a team of well qualified and experienced professional.

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

Liquidity: Poor
The liquidity is poor marked by overdue in packing credit facility. The average utilization of working capital limits stood over the 95% for the past 12 months ended December 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
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Food Products	Other Food Products

IAPPL, based in Tamil Nadu, was originally incorporated on March 24, 1998, by Peter Uyitewaal, a Netherlands citizen, and later transferred to the Marcatus Group, Canada, in 2011. The company is engaged in processing and exporting gherkins, along with trading other vegetables such as baby corn, tomato, onion, red capsicum, jalapeño, pepper, and green chili. It has two wholly owned subsidiaries—IAP Farm Services Private Limited and Marcatus Speciality Foods Private Limited—primarily for raw material procurement. IAPPL operates as a 100% Export-Oriented Unit (EOU), exporting mainly to Canada, USA, Germany, Netherlands, and Japan.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	November 30, 2025 (UA)
Total operating income	127.68	158.16	55.00
PBILDT*	10.27	8.67	--
Profit after tax (PAT)	2.13	3.42	--
Overall gearing (x)	1.42	1.94	--
Interest coverage (x)	2.10	1.58	--

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

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		-	-	-	1.00	CARE D
Fund-based - LT-Term Loan		-	-	July 2027	2.52	CARE D
Fund-based - ST-Foreign Bill Discounting		-	-	-	30.00	CARE D
Fund-based - ST-Packing Credit in Indian rupee		-	-	-	32.50	CARE D
Non-fund-based - ST-Forward Contract		-	-	-	5.00	CARE D

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	1.00	CARE D	1)CARE BB; Stable (19-Dec-25)	1)CARE BB; Positive (04-Oct-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (24-Aug-23)	1)CARE BB; Stable (10-Aug-22)
2	Fund-based - ST-Packing Credit in Indian rupee	ST	32.50	CARE D	1)CARE A4+ (19-Dec-25)	1)CARE A4+ (04-Oct-24)	1)CARE A4; ISSUER NOT COOPERATING* (24-Aug-23)	1)CARE A4+ (10-Aug-22)
3	Fund-based - LT-Term Loan	LT	2.52	CARE D	1)CARE BB; Stable (19-Dec-25)	1)CARE BB; Positive (04-Oct-24)	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (24-Aug-23)	1)CARE BB; Stable (10-Aug-22)
4	Non-fund-based - ST-Forward Contract	ST	5.00	CARE D	1)CARE A4+ (19-Dec-25)	1)CARE A4+ (04-Oct-24)	1)CARE A4; ISSUER NOT COOPERATING* (24-Aug-23)	1)CARE A4+ (10-Aug-22)
5	Fund-based - ST-Foreign Bill Discounting	ST	30.00	CARE D	1)CARE A4+ (19-Dec-25)	1)CARE A4+ (04-Oct-24)	-	-

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

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	Fund-based - LT-Term Loan	Simple
3	Fund-based - ST-Foreign Bill Discounting	Simple
4	Fund-based - ST-Packing Credit in Indian rupee	Simple
5	Non-fund-based - ST-Forward Contract	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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