

Kriti Nutrients Limited

September 22, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	10.00	CARE A-; Stable / CARE A2+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Kriti Nutrients Limited (KNL) continue to derive strength from its experienced promoters and established track record of operations in edible oil industry, strong presence in branded refined oil segment, and established marketing network in central India. Ratings also derive strength from its growing scale of operations, moderate profitability, strong capital structure and debt coverage indicators, and adequate liquidity.

However, ratings continue to remain constrained, considering KNL's presence in a competitive edible oil industry, geographically concentrated operations, and its profitability susceptible to volatile raw material prices, foreign exchange rate fluctuations, and regulatory changes. Ratings also factor in loans and advances, given / investments made by KNL in its group company.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant volume driven growth in scale of operation through greater geographical and product diversification, resulting in total operating income (TOI) above ₹1000 crore, while maintaining its profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin above 8% on a sustained basis.

Negative factors

- Volume driven decline in scale of operations with PBILDT margin below 3% on a sustained basis.
- Increase in adjusted overall gearing above unity or significant increase in loans and advances/ investments in group companies, such that it exceeds 50% of net worth base.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that KNL is likely to sustain its performance in the medium term, considering its established presence in central India in branded refined oil segment.

Detailed description of key rating drivers

Key strengths

Experienced promoters and reputed board members

The company's promoter, Shiv Singh Mehta looks after overall operations of KNL as Chairman and Managing Director (MD). He is a qualified engineer and holds master's degree in business administration, with an experience of over two decades in oil seed extraction and oil refining business. Shiv Singh Mehta is assisted by his son Saurabh Singh Mehta, Whole-time Director, and wife, Purnima Mehta (Non-Executive) in KNL's operations. KNL has established organisational structure headed by qualified second-tier management team looking after different aspects.

KNL's board includes independent directors, Chandrasekharan Bhaskar (MD of Xpro India Limited), Ashutosh Khajuria (ex-Chief Financial Officer [ex-CFO] of Federal Bank Limited), Dilip Singh Gaur (having 17+ years of experience with Aditya Birla Group in different roles preceded by 24 years at Unilever India in Foods, Home and Personal Care, and Specialty Chemicals Business, and was a member of the Foods Management Committee), and Dr. Tulsi Jayakumar (Professor of Finance and Economics and

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority.

²Complete definitions of ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Executive Director, Centre for Family Business & Entrepreneurship at Bhavan's S.P. Jain Institute of Management & Research [SPJIMR], Mumbai). Its group company Kriti Industries (India) Limited (KIL; rated CARE BBB+; Negative / CARE A2) is engaged in manufacturing plastic pipes, ducts, and mouldings at its manufacturing facility in Madhya Pradesh.

Strong presence in branded refined oil segment, despite concentrated geographical presence

KNL derives ~92% of its net sales from soyabean refined oil segment (FY25: 88%) and remaining 8% from soya meal, lecithin, and other soya-based products (FY25: 12%). The company has discontinued its crushing operations since FY24, due to non-viability of the same and procures soya crude oil and degum oil directly from domestic players.

KNL has an established track record of over two decades in solvent extraction and edible oil refining business. KNL has a network of over 200 dealers and the company has developed over 14,000 retail touchpoints with major focus in central India. KNL's edible oil brand 'Kriti' is well known in central India's retail market (particularly in Madhya Pradesh), due to which its refined oil is entirely sold in retail premium segment with no bulk sales. The company is focusing on growing its presence in Maharashtra, Rajasthan, and Uttar Pradesh.

Growing scale of operations and moderate profitability

The company's scale of operations grew by ~25% in FY26, marked by TOI of ₹922 crore in FY26 compared to ₹735 crore in FY25, supported by 19% year-over-year (y-o-y) growth in sales volume of soyabean refined oil segment and increase in sales realisation of edible oil. Exports contributed ~4% of its TOI in FY26 compared to 9% in FY25.

The company's profitability moderated, marked by PBILDT margin of 4.81% in FY26 compared to 6.69% in FY25, due to reduction in spread. In Q1FY27, KNL reported TOI of ₹247 crore and PBILDT margin of 4.78%, respectively. CareEdge Ratings expects TOI to grow further supported by incremental sales volume while PBILDT margin is expected to remain stable going forward with stable edible oil prices.

Strong capital structure and debt coverage indicators

KNL's capital structure remained strong, considering low debt level and steady accretion of the company's profit to the net-worth base. As on March 31, 2026, overall gearing stood at 0.04x against 0.01x as on March 31, 2025, with nil term debt. With negligible debt reliance, debt coverage indicators also stood strong in FY26, marked by total debt to gross cash accruals (TD/GCA) and PBILDT interest coverage ratio of 0.23x and 81x, respectively. Financial risk profile is expected to remain strong in the medium term with no major debt-funded capex plans.

KNL extended loans and advances to its group company, KIL, which stood at ₹24.35 crore and also held investment in the form of equity amounting to ₹51.52 crore as on March 31, 2026. The total exposure in the form of investment/advances formed ~33% of KNL's total net worth as on March 31, 2026. Adjusted overall gearing stood comfortable at 0.06x as on March 31, 2026 (PY: 0.02x).

Key weaknesses

Competitive industry landscape

Edible oil industry is highly competitive with presence of large national players and multiple regional players. Along with logistics and supply chain capability, large integrated players have a sizeable oil processing and packaging scale with wide distribution network. Thus, profitability remains low and is further exposed to movement in raw material prices, finished goods and other substitute. Being part of a highly fragmented industry (refined oil and soya-meal), KNL faces intense pricing competition, however; KNL buys crude soya oil directly from domestic manufacturers and import traders (located domestically), and maintains low inventory levels, which helps the company to pass on price volatility to its customers.

With increase in brand awareness, health consciousness, and penetration of organised retail, the size of the branded edible oil industry is likely to increase, which bodes well for branded refined oil players.

Exposure to raw material price volatility, forex rates, and regulatory changes, despite sound risk management practices followed by the management

Prices of KNL's main raw material, crude soya oil remained volatile. Prices reflect the international demand-supply gap and weather conditions in major soya-growing nations, such as the United States (US), Brazil, China, India, and Argentina. Crude edible oil prices are also influenced by cost of import, and regulatory policy (import/export duty) and price differential among other edible oil alternatives.

Such sudden movement in the price affects KNL's profitability. KNL derives ~4% of its revenue from exports in FY26 (FY25: 9%), whereas the import is negligible. Hence, KNL is a net exporter and is exposed to adverse fluctuation in foreign currency exchange rates. However, the company enters forward contracts for hedging foreign exchange exposure against its exports per market situation. In FY26, KNL did not have exposure hedged through commodity derivatives. However, over the years, the management has practiced sound inventory management policy with low inventory levels.

Liquidity: Adequate

KNL's adequate liquidity is supported by healthy cash accruals with absence of scheduled term debt repayment obligations. Average fund-based working capital utilisation remained low at 10% for 12-months ended June 2026. KNL reported cash flow from operation of ₹28.83 crore in FY26 against ₹58.05 crore in FY25. KNL's operating cycle remained lean at 18 days in FY26 (28 days in FY25), due to low collection period, driven by retail sales and limited inventory holding to insulate the company from major adverse price fluctuations. KNL had free cash and bank balance (including liquid investments) of ₹50.54 crore as on March 31, 2026.

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	Agricultural food and other products	Edible oil

Promoted by Shiv Singh Mehta, KNL (CIN: L24132MP1996PLC011245) is primarily engaged in manufacturing refined soya edible oil and soya bean-based value-added products. KNL's main products include branded refined soya oil, soya meal, and soya lecithin. KNL sells its refined edible oil under the brand 'Kriti', which is an established name in central India. KNL's manufacturing facilities are at Dewas, Madhya Pradesh (MP), with a solvent extraction capacity of 360,000 metric tonne per annum (MTPA) and oil refining capacity of 60,000 MTPA as on March 31, 2026.

KNL was de-merged in January 2010 from KIL, which had two divisions before the demerger, edible oil and solvent extraction, plastic fittings and engineered auto components. The auto component manufacturing division was hived off into a 100% subsidiary named Kriti Auto and Engineering Plastic Private Limited (KAEPPL), assets of which are sold off, while plastic fittings division continues to remain with KIL.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)	June 30, 2026 (UA)
Total operating income	735.53	922.47	247.07
PBILDT*	49.22	44.40	11.82
Profit after tax (PAT)	37.02	33.84	9.06
Overall gearing (x)	0.01	0.04	NA
Interest coverage (x)	85.92	81.08	49.25

A: Audited; UA: Unaudited; NA: Not available; 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

For complexity level of instruments rated refer to Annexure-1.

Lender details: Annexure-4

Disclosure on facilities/instruments and name of regulators:

A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT/ ST-Working Capital Limits	RBI	Simple	-		-	-	10.00	CARE A-; Stable / CARE A2+

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 2026-2027	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
1	Fund-based - LT/ ST-Working Capital Limits	LT/ST	10.00	CARE A-; Stable / CARE A2+	-	1)CARE A-; Stable / CARE A2+ (09-Sep-25)	1)CARE A-; Stable / CARE A2+ (02-Aug-24)	1)CARE A-; Stable / CARE A2+ (11-Jul-23)
2	Non-fund-based - ST-Credit Exposure Limit	ST	-	-	-	-	1)Withdrawn (02-Aug-24)	1)CARE A2+ (11-Jul-23)

LT/ST: Long term/Short term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: 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

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Analytical Contacts Kalpesh Ramanbhai Patel Director CARE Ratings Limited Phone: 079-40265611 E-mail: kalpesh.patel@careedge.in Anuja Parikh Associate Director CARE Ratings Limited Phone: 079-40265616 E-mail: anuja.parikh@careedge.in Jinil Gandhi Assistant Director CARE Ratings Limited E-mail: Jinil.Gandhi@careedge.in
---	--

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

© 2026, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information required as per applicable law and regulations and CARE Ratings Limited holds exclusive copyright over the same. Any reproduction, retransmission, modification, derivative works or use or reference to the contents, in whole, in part or in any form, is prohibited except with prior express written consent from CARE Ratings Limited.

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