



**Press Release**  
**SPRL FOODS LIMITED**  
**January 07, 2026**  
**Rating Assigned and Upgraded**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	26.00	ACUITE BB   Stable   Assigned	-
Bank Loan Ratings	29.00	ACUITE BB   Stable   Upgraded	-
Bank Loan Ratings	4.50	-	ACUITE A4+   Assigned
Total Outstanding Quantum (Rs. Cr)	59.50	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuité has upgraded its long-term rating to '**ACUITE BB**' (read as **ACUITE Double B**) from '**ACUITE B-**' (read as **ACUITE B Minus**) on the Rs.29.00 Cr. bank facilities of SPRL Foods Limited. The outlook is '**Stable**'.

Acuité has also assigned its long-term rating of '**ACUITE BB**' (read as **ACUITE Double B**) and short-term rating of '**ACUITE A4+**' (read as **ACUITE A Four Plus**) on the Rs.30.50 Cr. bank facilities of SPRL Foods Limited. The outlook is '**Stable**'.

**Rationale for rating**

The rating upgrade and migration from Issuer not co-operating takes into account company's marginal improvement in revenue and operating margins, supported by brand presence in rice and flour segments and additional income from leasing arrangement. However, the rating is constrained by its moderate financial risk profile marked by high gearing, elevated Debt/EBITDA levels, and working capital-intensive operations. However, liquidity remains adequate, aided by sufficient cash accruals against repayment obligations, though reliance on bank limits is high. The successful commissioning of the cold storage facility and stable rental income from Amazon are expected to improve revenue visibility and support future growth.

**About the Company**

SPRL Foods Limited (SPRLFL) is an Allahabad-based company incorporated in 2011 by Mr. Shiv Poojan and his family. The company is engaged in the manufacturing, processing and selling of food grain-based products including rice and wheat products such as flour, semolina, maida, among others. The company also operates its own cold storage and warehousing facilities, strengthening its backward integration and offering efficient storage infrastructure for both internal purpose and third-party customers. The manufacturing unit of the company is located in Sahson (Uttar Pradesh).

**Unsupported Rating**

Not Applicable

## Analytical Approach

Acuité has considered the standalone business and financial risk profile of SPRL Foods Limited to arrive at the rating

### Key Rating Drivers

#### Strengths

##### Experienced management

SPRL Foods Limited is promoted by Mr. Shiv Poojan who possess more than three decades of experience in trading of agro commodities. The extensive experience of the promoter has helped the company to maintain long standing relations with its customers and procurement of commodities at favourable price.

##### Improving scale of operations:

The company's revenue increased to Rs.198.98 Cr. as on March 31, 2025 from Rs.196.37 Cr. in the previous fiscal year, supported by its established presence in the rice and flour segment. It markets basmati and non-basmati rice under the brands 'Shivansh' and 'Prayag', while flour products are sold under 'Manish Maida' and 'Susheel Gold'. Further, the operating margin improved slightly to 3.33% in FY2025 from 3.11% in FY2024, primarily due to slight moderation in raw material costs during the year. The net profit margin remained modest at 0.52% in FY2025 compared to 0.56% in FY2024, impacted by a marginal increase in interest expenses.

Acuite believes that the operating performance of the company would improve in near to medium term, supported by capacity expansion and addition of a new segment.

##### Moderate financial risk profile:

The Financial risk profile of company is moderate, marked by low net worth, high gearing and moderate debt protection metrics. The net worth of the company marginally improved and stood at Rs. 21.19 Cr as on 31 March 2025 as against Rs. 20.15 Cr as on 31 March 2024 on account of small accretion to reserves. The gearing (debt-equity) stood at 2.56 times as on 31 March 2025 as against 2.07 times as on 31 March 2024. The Total Outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 2.80 times as on 31 March 2025 as against 2.30 times as on 31 March 2024. The debt protection metrics of the company remain moderate marked by Interest coverage ratio (ICR) and debt service coverage ratio (DSCR) stood at 1.87 times and 1.40 times for FY2025 as against 2.00 times and 0.95 times for FY2024. The Net Cash Accruals to Total debt (NCA/TD) stood at of 0.05 times for FY2025.

#### Weaknesses

##### Moderately Intensive Working Capital Operations

The working capital operations of company are moderately intensive marked by Gross Current Assets (GCA) of 101 days for FY2025 which stood moderately high as against 97 days for FY2024. This is due to inventory cycle of the company which stood high at 78 days in FY2025 as against 58 days in FY2024. The company holds 3–4 months of stock as paddy which is available mainly from November to March, ensuring operations continue post season. Further, the receivable days stood at 23 days in FY2025 as against 28 days in FY2024 whereas the creditor days stood at 6 days in FY2025 as against 5 in FY2024.

Acuité expects the working capital operations of the company to remain at similar levels in the near to medium term owing to the nature of operations.

##### Exposure to Agro-Climatic and Commodity Price Risks

The company remains exposed to volatility in raw material prices, primarily paddy and wheat, which are agricultural commodities highly dependent on agro-climatic conditions. Any adverse weather events such as inadequate rainfall or drought can impact crop availability, leading to price escalation. Additionally, changes in government policies may further influence commodity prices. Given that paddy is a seasonal crop reliant on monsoon patterns, the company faces agro-climatic risk. Moreover, high inventory levels of paddy or

rice expose the company to inventory price risk due to potential fluctuations in market prices.

### **Presence in highly fragmented and competitive industry**

The processing of agro commodity industry including rice and flour industry is highly fragmented and competitive in nature. The industry is characterised by the presence of large number of unorganised and organised players. The high competition is expected to keep the profitability of the company under pressure.

### **Rating Sensitivities**

- Movement in the revenue and profitability
- Improvement in capital structure
- Working capital cycle

### **Liquidity Position**

#### **Adequate**

The liquidity profile of company is adequate, marked by sufficient net cash accruals of Rs. 2.94 Cr. in FY2025 as against its maturing debt obligations of Rs. 1.08 Cr. during the same period. In addition, it is expected to generate cash accrual in the range of Rs. 3.00 -Rs. 4.00 Cr. as against maturing repayment obligations in the range of Rs. 1.00 Cr over the medium term. The cash and bank balances of the company stood at Rs. 0.11 Cr as on March 31, 2025. Further, the current ratio of the company stood at 1.30 times as on March 31, 2025. The reliance of the company on working capital limits remained high with average utilisation of fund-based limits at ~ 96.85% over the last ten months ending Oct 2025.

Acuite believes that the liquidity profile of the company is likely to remain adequate supported by steady cash accruals in the near to medium term.

### **Outlook: Stable**

### **Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	198.98	196.37
PAT	Rs. Cr.	1.04	1.11
PAT Margin	(%)	0.52	0.56
Total Debt/Tangible Net Worth	Times	2.56	2.07
PBDIT/Interest	Times	1.87	2.00

### Status of non-cooperation with previous CRA (if applicable)

Not Applicable

### Any other information

None

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
19 Sep 2025	Cash Credit	Long Term	4.38	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Secured Overdraft	Long Term	18.00	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Term Loan	Long Term	1.74	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
	Term Loan	Long Term	4.88	ACUITE B- (Downgraded & Issuer not co-operating* from ACUITE B)
25 Jun 2024	Cash Credit	Long Term	4.38	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Secured Overdraft	Long Term	18.00	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	1.74	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
	Term Loan	Long Term	4.88	ACUITE B (Downgraded & Issuer not co-operating* from ACUITE B+)
28 Mar 2023	Cash Credit	Long Term	4.38	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	18.00	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	1.74	ACUITE B+ (Reaffirmed & Issuer not co-operating*)
	Term Loan	Long Term	4.88	ACUITE B+ (Reaffirmed & Issuer not co-operating*)

**Annexure - Details of instruments rated**

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.00	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.00	Simple	ACUITE BB   Stable   Assigned
State Bank of India	Not avl. / Not appl.	Covid Emergency Line.	Not avl. / Not appl.	Not avl. / Not appl.	30 Nov 2026	1.53	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.60	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BB   Stable   Assigned
State Bank of India	Not avl. / Not appl.	Stand By Line of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.50	Simple	ACUITE A4+   Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Jun 2026	0.31	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	30 Jun 2032	1.60	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2034	7.40	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	20 Mar 2031	0.56	Simple	ACUITE BB   Stable   Upgraded (from ACUITE B- )

## Contacts

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### About Acuité Ratings & Research

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