



**Press Release**  
**CALPRO SPECIALITIES PRIVATE LIMITED**  
**June 18, 2025**  
**Rating Assigned and Reaffirmed**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	28.50	ACUITE BBB-   Stable   Assigned	-
Bank Loan Ratings	84.00	ACUITE BBB-   Stable   Reaffirmed	-
Bank Loan Ratings	1.50	-	ACUITE A3   Assigned
Bank Loan Ratings	29.00	-	ACUITE A3   Reaffirmed
Total Outstanding Quantum (Rs. Cr)	143.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed its long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.113 Crore bank facilities of Calpro Specialities Private Limited (CSPL). The outlook is '**Stable**'.

Acuite has assigned its long-term rating of '**ACUITE BBB-**' (read as **ACUITE triple B minus**) and short-term rating of '**ACUITE A3**' (read as **ACUITE A three**) on the Rs.30 Crore bank facilities of Calpro Specialities Private Limited (CSPL). The outlook is '**Stable**'.

**Rational for Rating Reaffirmation**

The rating reaffirmation reflects CSPL's improved operating performance and its moderate financial risk profile. It also takes into account its reputed clientele, such as HUL, Nestlé, and Cream Bell. The rating also considers extensive experience of CSPL's promoters of over three decades in manufacturing and trading of food preservatives. However, the rating remains constrained by the company's working capital-intensive operations and the susceptibility of operating margins to volatility in raw material prices.

**About the Company**

Calpro Specialities Private Limited (CSPL) was incorporated in 1989, based out in Naraina, New Delhi. It is engaged in manufacturing and trading of food preservatives. The company is promoted by Mr. Arun Kumar Agarwal, having three decades of experience in the preservatives industry. CSPL started operations from Sohna plant, manufacturing Calcium Propionate and importing bakery preservatives from international players for distribution in India. The company also started manufacturing dairy products at Kosi Kalan (U.P) in 2019. Apart from preservatives, other dairy items like ghee, butter, lactose and caseinate are sold in India.

**Unsupported Rating**

Not Applicable

**Analytical Approach**

Acuité has considered the standalone financial and business risk profile of Calpro Specialities Private Limited to arrive at this rating.

## Key Rating Drivers

### Strengths

#### Established track record along with experienced management

Incorporated in 1989, CSPL has an established track record of operations of more than 30 years in manufacturing and trading of food preservatives business. The directors of the company Mr. Arun Kumar, Mr. Ayush Agarwal and Mr. Amit Agarwal has extensive experience in the aforementioned line of business. The vast experience of the management has helped the company to forge long standing relationships with its reputed customers like Hindustan Unilever Limited, Nestle India Limited, ITC Limited, Britannia Industries Limited and others. The company has established relationship with suppliers like Volac International Limited, Cargil Food Ingredients, JRS Silvateam Food Ingredients among others.

Acuite believes that extensive experience of the promoters and established track record of operations along with longstanding relationship with reputed clientele will continue to support CSPL's business operations over the medium term.

#### Improvement in the Operating Performance

CSPL's revenue improved to Rs.297.23 Cr. in FY2024 from Rs.273.38 Cr. in FY2023. The FY2025 estimated revenue stood at ~Rs. 381 Cr. The revenue growth is primarily driven by a surge in orders from both existing and newly acquired customers. The company has reputed clientele, such as HUL, Nestlé, Cream Bell, and several other esteemed FMCG organizations. The operating profit margin for FY2025 (E) stood at 7.65 percent against 6.82 percent in FY2024 and 6.27 percent in FY2023. The PAT margin for FY2025 (E) stood at 3.07 percent against 2.10 percent in FY2024 and 1.82 percent in FY2023.

#### Moderate financial Risk Profile

CSPL's financial risk profile is moderate marked by moderate net worth, gearing and debt protection metrics. The net worth stood at Rs. 57.83 Cr. as on March 31, 2024, against Rs.49.89 Cr. as on March 31, 2023. The net worth also consists USL of Rs.10.01 Cr. in FY2024 being subordinated to bank borrowings. The gearing ratio stood at 1.65 times as on March 31, 2024, against 2.02 times as on March 31, 2023. The TOL/TNW stood at 2.30 times as on March 31, 2024, against 2.57 times as on March 31, 2023. Interest Coverage Ratio stood at 2.07 times in FY2024 against 2.09 times in FY2023. DSCR stood at 1.24 times in FY2024 against 1.84 times in FY2023. Debt/EBITDA level stood at 4.61 times in FY2024 against 5.56 times in FY2023.

Acuite' believes that financial risk profile of CSPL is expected to improve in near term despite debt funded capex on account of expected improvement in the operating profitability.

### Weaknesses

#### Working Capital Intensive Operations

CSPL's working capital operations are intensive in nature marked by GCA days of 183 days in FY2024 as compared to 180 days in FY2023. The debtor days stood at 62 days in FY2024 against 58 days in FY2023. The inventory days stood at 85 days in FY2024 against 95 days in FY2023. The creditors days stood at 6 days in FY2024 against 8 days in FY2023. The bank limit utilization for fund based limits stood moderate at 83.33% and for non-fund based limits it stood at 80.08% in the last 12 months ended Apr 25.

Acuite' believes that working capital operations of company may continue to remain intensive considering the nature of business.

#### Susceptibility of operating margins to volatility in prices

Operating margins are susceptible to fluctuations in raw material prices, which are inherently tied to global demand and supply dynamics. This volatility can impact profitability. However, the company mitigates this risk by periodically adjusting prices, passing cost increases on to customers to maintain stability in profitability.

### Rating Sensitivities

- Sustainable improvement in revenue and profitability with an improvement in the overall financial risk profile and liquidity.
- Any further elongation in the working capital cycle.

### Liquidity Position

#### Adequate

CSPL generated sufficient cash accruals of Rs. 8.61 Cr. in FY2024 against repayment obligation of Rs.4.90 Cr.

during the same period. It's working capital operations are intensive marked by GCA days of 183 days in FY2024. The average bank limit utilization for fund based limits stood moderate at 83.33% and for non-fund based limits it stood at 80.08% in the last 12 months ended Apr 25. The company has around 20% unutilised credit limit to meet its incremental working capital needs. The current ratio stood at 1.23 times as on March 31, 2024. CSPL maintained unencumbered cash and bank balance of Rs. 20.17 Cr. as on March 31, 2024.

Going ahead, the company is expected to generate sufficient cash accruals in the range of Rs.14.51-21.00 Cr. against repayment obligation of Rs. 4.90- 5.93 Cr. over the medium-term.

**Outlook: Stable**

**Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	297.23	273.38
PAT	Rs. Cr.	6.25	4.99
PAT Margin	(%)	2.10	1.82
Total Debt/Tangible Net Worth	Times	1.65	2.02
PBDIT/Interest	Times	2.07	2.09

**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, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité'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
20 Mar 2024	Bills Discounting	Short Term	4.00	ACUITE A3 (Reaffirmed)
	Buyers Credit	Short Term	14.50	ACUITE A3 (Reaffirmed)
	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A3 (Reaffirmed)
	Stand By Line of Credit	Short Term	4.00	ACUITE A3 (Reaffirmed)
	Buyers Credit	Short Term	6.00	ACUITE A3 (Reaffirmed)
	Working Capital Term Loan	Long Term	9.72	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.03	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.25	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.40	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.78	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.59	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.33	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	9.90	ACUITE BBB- Stable (Reaffirmed)
17 Feb 2023	Bills Discounting	Short Term	4.00	ACUITE A3 (Assigned)
	Buyers Credit	Short Term	14.50	ACUITE A3 (Assigned)
	Bank Guarantee (BLR)	Short Term	0.50	ACUITE A3 (Assigned)
	Stand By Line of Credit	Short Term	4.00	ACUITE A3 (Assigned)
	Buyers Credit	Short Term	7.00	ACUITE A3 (Assigned)
	Working Capital Term Loan	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	0.03	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	0.36	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	0.58	ACUITE BBB- Stable (Assigned)
	Working Capital Term Loan	Long Term	5.07	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	3.20	ACUITE BBB- Stable (Assigned)
	Term Loan	Long Term	1.73	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	13.00	ACUITE BBB- Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	4.03	ACUITE BBB- Stable (Assigned)

# Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Kotak Mahindra Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	0.50	Simple	ACUITE A3   Reaffirmed
State Bank of India	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE A3   Assigned
Kotak Mahindra Bank	Not avl. / Not appl.	Bills Discounting	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE A3   Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Buyers Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.50	Simple	ACUITE A3   Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Buyers Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	6.00	Simple	ACUITE A3   Reaffirmed
CITI Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB-   Stable   Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	14.00	Simple	ACUITE BBB-   Stable   Reaffirmed
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB-   Stable   Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB-   Stable   Reaffirmed
CITI Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB-   Stable   Assigned
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	9.90	Simple	ACUITE BBB-   Stable   Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.61	Simple	ACUITE BBB-   Stable   Assigned
Not Applicable	Not avl. / Not appl.	Proposed Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.50	Simple	ACUITE BBB-   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.	4.00	Simple	ACUITE A3   Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	01 Nov 2016	Not avl. / Not appl.	20 May 2026	0.00	Simple	ACUITE BBB-   Stable   Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	01 Apr 2021	Not avl. / Not appl.	01 May 2026	0.11	Simple	ACUITE BBB-   Stable   Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2031	0.47	Simple	ACUITE BBB-   Stable   Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2031	0.01	Simple	ACUITE BBB-   Stable   Assigned
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Jan 2030	1.34	Simple	ACUITE BBB-   Stable   Assigned
Dajaj Finance Ltd.	Not avl. / Not appl.	Working Capital Demand Loan (WC DL)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB-   Stable   Assigned

State Bank of India	Not avl. / Not appl.	Working Capital Term Loan	01 Nov 2021	Not avl. / Not appl.	01 Nov 2027	3.69	Simple	ACUITE BBB-   Stable   Reaffirmed
Kotak Mahindra Bank	Not avl. / Not appl.	Working Capital Term Loan	01 Apr 2021	Not avl. / Not appl.	30 May 2026	1.98	Simple	ACUITE BBB-   Stable   Reaffirmed



## Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	<b>Contact details exclusively for investors and lenders</b>
Sanidhya Jain Associate Analyst-Rating Operations	Mob: +91 8591310146 Email ID: <a href="mailto:analyticalsupport@acuite.in">analyticalsupport@acuite.in</a>

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