



Press Release
CALPRO SPECIALITIES PRIVATE LIMITED
August 22, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	112.50	ACUITE BBB Stable Upgraded	-
Bank Loan Ratings	30.50	-	ACUITE A3+ Upgraded
Total Outstanding Quantum (Rs. Cr)	143.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has upgraded its long-term rating to 'ACUITE BBB'(read as ACUITE triple B)from 'ACUITE BBB-' (read as ACUITE triple B minus)and its short-term rating to 'ACUITE A3+'(read as ACUITE A three plus) from 'ACUITE A3'(read as ACUITE A three)on the Rs.143 Cr. bank facilities of Calpro Specialities Private Limited (CSPL). The outlook is 'Stable'.

Rationale for rating upgrade

Acuite vide its press release dated 18th June, 2025, reaffirmed and assigned the rating of Acuite BBB-/Stable/A3 against which the client had appealed and provided further information with respect to revenue and profitability in Q1FY2026 along with clarification on the capex and company's future business plan.

Therefore, the rating upgrade reflects CSPL's year-on-year growth in operating performance for the past two years driven by a surge in orders from both existing and newly acquired customers and is expected to be further supported by the recent capex i.e., bottling plant for protein beverages which became operational in Q4FY2025, coupled with improving financial risk profile. The rating also takes into account the company's adequate liquidity position, which continues to support its working capital requirements. Additionally, CSPL benefits from its longstanding relationships with reputed clients such as Hindustan Unilever Limited (HUL), Nestlé and Cream Bell, as well as over three decades of promoter experience in the food preservatives industry, which collectively contributes to its credit strength. However, the company is currently undergoing significant capex towards paneer manufacturing plant, funded through mix of debt & internal accruals, expected to be completed by H2FY26, implementation and materialisation of which shall be a key rating monitorable. Further, the rating remains constrained by the working capital-intensive nature of operations and the susceptibility of profit margins to volatility in raw material prices.

About the Company

Incorporated in 1989, Calpro Specialities Private Limited (CSPL) is a Naraina, New Delhi based company engaged in manufacturing and trading of food preservatives. The company's registered office is located in Gurgaon, Haryana. The company is promoted by Mr. Arun Kumar Agarwal. The company started operations from manufacturing calcium propionate at Sohna plant, Gurgaon and importing bakery preservatives from international players for distribution in India. The company is also into manufacturing dairy products at Kosi Kalan (U.P) since 2019. Apart from preservatives, the company also sells other dairy items like ghee, butter, lactose and caseinate in India. Further, the company recently added bottling plant facility for protein beverages which became operational in Q4FY25.

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. Further, the directors of the company Mr. Arun Kumar, Mr. Ayush Agarwal and Mr. Amit Agarwal has extensive experience in the aforementioned line of business. Therefore, the vast experience of the management has helped the company to forge long standing relationships with reputed customers like Hindustan Unilever Limited, Nestle India Limited, ITC Limited, Britannia Industries Limited and others. Also, the company has established relationship with suppliers like Volac International Limited, Cargil Food Ingredients, JRS Silvateam Food Ingredients among others. The company also focuses on expansion and diversification as witnessed from the recent commencement of the protein beverage bottling plant and ongoing capex of paneer manufacturing funded at total cost of Rs. 12.00 Cr. (funded through debt – Rs 9.31 Cr. and balance internal accruals).

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.

Improving operating performance

Post significant dip in FY2023, the revenue of CSPL improved to Rs.381.02 Cr. in FY2025 (Prov.) against Rs.297.23 Cr. in FY2024 and Rs.273.38 Cr. in FY2023. The revenue growth is primarily driven by a surge in orders from both existing and newly acquired customers and is expected to be further supported by the recent capex i.e., bottling plant for protein beverages which became operational in Q4FY2025. Also, the upcoming capex of paneer manufacturing facility to be completed by H2FY2026 is expected to further boost the revenue, which shall be key rating monitorable. The operating profit margin of the company for FY2025 (Prov.) stood at 7.66 percent against 6.82 percent in FY2024 and 6.27 percent in FY2023. The PAT margin for FY2025 (Prov.) stood at 3.08 percent against 2.10 percent in FY2024 and 1.82 percent in FY2023.

Moderate financial risk profile

CSPLs financial risk profile is moderate marked by moderate net worth, gearing and debt protection metrics. The net worth improved to Rs.69.70 Cr. as on March 31, 2025 (Prov.) (including USL of Rs.10.14 Cr.) as against Rs. 57.83 Cr. as on March 31, 2024 on account of accretion of profits into reserves. Therefore, while the debt increased marginally due to the ongoing capex, the gearing improved to 1.41 times as on March 31, 2025 (Prov.) as against 1.65 times as on March 31, 2024. Further, the interest coverage ratio & debt service coverage ratio stood comfortable at 2.57 times and 1.56 times in FY2025 (Prov.) respectively.

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

Weaknesses

Working capital intensive operations

CSPL's working capital operations are intensive in nature marked by gross current asset days of 153 days in FY2025 (Prov.) as against 183 days in FY2024. This is primarily driven from high inventory days of 75 days in FY2025 (Prov.) (85 days in FY2024) owing to dealings in multiple products. Further, the debtor days stood at 49 days in FY2025 (Prov.) as against 62 days in FY2024. The creditors days also stood low at 19 days in FY2025 (Prov.) (6 days in FY2024). Therefore, the bank limit utilization for fund based limits stood at moderate at 83.33% and for non-fund based limits it stood at 80.08% in the last 12 months ended April 2025.

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

The operating margins are susceptible to fluctuations in raw material prices, which are inherently tied to global demand and supply dynamics. However, the company mitigates this risk by periodically adjusting prices, passing cost increases on to customers to maintain stability in profitability. Further, the company faces intense competition from a lot of unorganized players as well reputed brand labels.

Rating Sensitivities

- Sustainable improvement in revenue and profitability.

- Any further elongation in the working capital cycle.
- Any significant change in the financial risk profile impacting the liquidity of the company.

Liquidity Position

Adequate

The liquidity position of the company is adequate marked by sufficient generation of cash accruals of Rs. 14.13 Cr. in FY2025 (Prov.) against repayment obligation of Rs.4.90 Cr. during the same period. The reliance on the working capital limits is moderately high at ~83% for fund-based limits. The current ratio stood moderate at 1.26 times as on March 31, 2025 (Prov.). The unencumbered cash and bank balance as on March 31, 2025 (Prov.) stood at Rs.13.99 Cr. Going ahead, the company is expected to generate sufficient cash accruals in the range of Rs.20.51-23.55 Cr. against repayment obligation of Rs. 5.51- 5.93 Cr. during the same period.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	381.02	297.23
PAT	Rs. Cr.	11.73	6.25
PAT Margin	(%)	3.08	2.10
Total Debt/Tangible Net Worth	Times	1.41	1.65
PBDIT/Interest	Times	2.57	2.07

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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
18 Jun 2025	Buyers Credit	Short Term	6.00	ACUITE A3 (Reaffirmed)
	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)
	Bank Guarantee (BLR)	Short Term	1.50	ACUITE A3 (Assigned)
	Cash Credit	Long Term	15.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.08	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.11	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	1.98	ACUITE BBB- Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	3.69	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	20.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	1.32	ACUITE BBB- Stable (Assigned)
	Proposed Cash Credit	Long Term	9.90	ACUITE BBB- Stable (Reaffirmed)
	Proposed Cash Credit	Long Term	1.61	ACUITE BBB- Stable (Assigned)
	Proposed Term Loan	Long Term	5.50	ACUITE BBB- Stable (Assigned)
	Working Capital Demand Loan (WCDL)	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	10.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	14.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	9.24	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	0.07	ACUITE BBB- Stable (Assigned)
	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)

20 Mar 2024	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+ Upgraded (from ACUITE A3)
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+ Upgraded (from ACUITE A3)
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+ Upgraded (from ACUITE A3)
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+ Upgraded (from ACUITE A3)
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+ Upgraded (from ACUITE A3)
CITI Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	11.51	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
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+ Upgraded (from ACUITE A3)
Kotak Mahindra Bank	Not avl. / Not appl.	Term Loan	01 Nov 2016	Not avl. / Not appl.	20 May 2026	0.08	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
State Bank of India	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 Jan 2030	1.32	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
ICICI Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	31 May 2031	9.31	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Bajaj 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 Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)
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 Upgraded (from ACUITE BBB-)

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