



Press Release
SHREE GANESH BAKERY NANDANI PRIVATE LIMITED
September 04, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	45.00	ACUITE BBB Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	45.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of '**ACUITÉ BBB**' (read as **ACUITE triple B**) on the Rs. 45.00 Cr. bank facilities of Shree Ganesh Bakery Nandani Private Limited (SGBNPL). The outlook is '**Stable**'.

Rationale for rating assigned

The rating assigned considers the established track record of the group and extensive experience of the management of over three decades. The rating is also supported by the revenue growth demonstrated by the group, moderate financial risk profile marked by average net worth, low gearing and comfortable debt protection metrics and adequate liquidity position. However, these strengths are partly offset by moderately intensive working capital operations and susceptibility of profitability to input risk, industry challenges and geographic concentration risk.

About the Company

Based in Kolhapur, Maharashtra Shree Ganesh Bakery Nandani Private Limited (SGBNPL) was founded in 1991 as a proprietorship concern by Mr. Annasaheb Balasaheb Chakote. Subsequently, it was reconstituted as a private limited company in 2014. The company specializes in bakery products including bread, toast, butter, bun pav, khari, cream rolls, and slice cakes. The company is promoted by Mr. Annasaheb Balasaheb Chakote and Mr. Anil Shantinath Patil.

About the Group

Chakote Group based in Kolhapur, Maharashtra is promoted by Mr. Annasaheb Balasaheb Chakote and family and has presence of over three decades in the bakery and namkeen industry. The group includes three companies viz. Shree Ganesh Bakery Nandani Private Limited, Chakote Cake Bake Private Limited and Chakote Agro Foods Private Limited. Shree Ganesh Bakery Nandani Private Limited manufactures bakery products including bread, toast, butter, bun pav, khari, cream rolls, and slice cakes. Chakote Cake Bake Private Limited manufactures snacks such as besan products, dal nuts, chiwda, chips, and Kurkure while, Chakote Agro Foods Private Limited focuses on cupcakes, cookies, and biscuits

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has consolidated the business and financial risk profiles of Shree Ganesh Bakery Nandani Private Limited, Chakote Cake Bake Private Limited and Chakote Agro Foods Private Limited together referred to as the 'Chakote Group' (CG). The consolidation is on the basis of same promoter family, shared brand name and operational and

financial synergies within the group.

Key Rating Drivers

Strengths

Experienced management and established track record of operations of the group

SGBNPL is part of the Chakote group of companies (Bakery division) which was established in 1991 by Mr. Chakote and family. The group is engaged in manufacturing of bakery and namkeen products. The group has a presence and a dealer network in the states of Maharashtra, Karnataka, Goa, Andhra Pradesh, Telangana and Gujarat. The group is promoted by Mr. Annasaheb Balasaheb Chakote, Mr. Satish Balasaheb Chakote and Mr. Padmini Annasaheb Chakote who extensive experience in the bakery and namkeen industry. Acuite believes that the extensive experience of the promoters will strengthen the business of the group over the medium term.

Augmentation in operating performance

The group's operating income improved by 12.45 per cent to Rs. 285.90 crore in FY2025 (Prov.) as against Rs. 254.25 crore in FY2024 and Rs. 203.52 crore in FY2023 driven by commencement of co-packaging resulting in a higher capacity utilisation of installed capacity. Further, the group's operating income has improved by ~18 per cent in Q1FY2026 to Rs. 84.7 crore as against Rs. 71.55 crore in Q1FY2025. Furthermore, the operating profit margin improved to 5.74 per cent in FY2025 (Prov.) as against 4.18 per cent in FY2024. Further, the PAT Margin improved to 3.30 per cent in FY2025 (Prov.) compared to 1.65 per cent in FY2024. Acuite believes that the group's ability to improve its scale of operations and operating profitability will remain a key rating sensitivity.

Moderate financial risk profile

The financial risk profile of the group stood moderate marked by average net worth, below unity gearing and comfortable debt protection metrics. The net worth of the group stood at Rs. 70.94 crore as on March 31st, 2025 (Prov.), as against Rs. 61.50 crore as on March 31st, 2024, due to accretion of profit to reserve. Further, the net worth includes quasi equity which includes the unsecured loans from directors/promoters which are interest free and have been subordinated to the bank. The total debt of the group stood at Rs. 52.38 crore as on March 31, 2025 (Prov.) comprising of Rs. 21.85 crore of long-term debt, and Rs. 30.53 crore short term debt in term of cash credit. Further, the gearing of the group has improved to 0.74 times as on March 31, 2025 (Prov.), as against to 0.96 times as on March 31, 2024. The TOL/TNW of the group stood at 1.34 times as on March 31, 2025 (Prov.), as against 1.60 times as on March 31, 2024.

Furthermore, the debt protection metrics of the group stood comfortable as reflected by debt service coverage ratio (DSCR) of 1.45 times for FY2025 (Prov.) as against 2.76 times for FY2024 and the interest coverage ratio (ICR) stood at 4.33 times for FY2025 (Prov.) as against 2.90 times for FY2024. The net cash accruals to total debt (NCA/TD) stood at 0.30 times in FY2025 (Prov.) as against to 0.18 times in FY2024. Acuite believes the financial risk profile of group will remain moderate over the medium term on account of upcoming debt funded capex.

Upcoming capex plan and subsidy receivable from state government

The group has planned capital expenditure (capex) for installing and modifying capacity for khari, pastry and puffs, rusk and cupcake lines. The total cost of the capex is Rs. 5 crore, funded through a combination of internal cash accruals of Rs. 1.3 crore and term loans of Rs. 3.7 crore. The capex is expected to be completed in FY2026. Further, the group had incurred large capex for setting up its manufacturing units which has been approved under Package Scheme of Incentives (PSI) 2019 and the group is eligible for subsidy of 100 per cent of capital investment over a period of ten years starting FY2024 which is expected to improve the PAT margins and net cash accruals for repayment of maturing debt obligations. Acuite believes that the successful implementation of the upcoming capex would be key to increase the operating income. However, timely completion of the capex without any cost overrun would remain key rating monitorable.

Weaknesses

Moderately Intensive Working capital operations:

The working capital operations of the group is moderately intensive in nature, with Gross Current Assets (GCA) of 109 days in FY2025 (Prov.) and FY2024. The inventory levels stood at 21 days in FY2025 (Prov.) as against 24 days in FY2024. The debtor days stood at 62 days in FY2025 (Prov.) as against 59 days in FY2024. The creditor days stood at 50 days in FY2025 (Prov.) and FY2024. Further, the average utilization for limits is high, averaging around 90 per cent for fund-based limits over the last twelve months ending May-2025. Acuite believes that the working capital operations of the group may continue to remain moderate over the medium term.

Industry Challenges and Geographic Risk

The group operates in a fragmented and competitive industry with many unorganized players, limiting pricing and bargaining power. Low entry barriers, small investment needs, and simple operations have led to the presence of numerous small entities, increasing competition and restricting growth. Further, the profitability of the group is exposed to changes in commodity prices, as raw materials account for 65–70 per cent of revenue. A rise in agro-

commodity prices can impact margins. The group also faces concentration risk, with most revenue coming from Maharashtra.

Rating Sensitivities

- Sustained improvement in scale of operations along with improving profitability margins.
- Sustenance of moderate financial risk profile and net cash accruals
- Elongation in working capital operations leading to stretch in liquidity position.
- Time and cost overrun in upcoming capex.

Liquidity Position

Adequate

The liquidity position of the group remains adequate, evidenced by sufficient net cash accruals offsetting maturing debt obligations. Net cash accruals ranged Rs. 8.05-15.84 crore between FY2023 and FY2025 (Prov.), surpassing maturing debt obligations during the same period. The average utilization for limits is high, averaging around 90 per cent for fund-based limits over the last twelve months ending May-2025. The cash and bank balance stood at Rs. 2.47 crore as on 31st March 2025 (Prov.) The current ratio stood at 1.09 times on March 31, 2025 (Prov.) as against 1.08 times on March 31, 2024. Acuite believes the liquidity position of the group may continue to remain adequate with steady cash accruals.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	285.90	254.25
PAT	Rs. Cr.	9.44	4.19
PAT Margin	(%)	3.30	1.65
Total Debt/Tangible Net Worth	Times	0.74	0.96
PBDIT/Interest	Times	4.33	2.90

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

CRISIL, vide its press release dated January 22nd, 2025 had denoted the rating of Shree Ganesh Bakery Nandani Private Limited as 'CRISIL BB+/Stable; DOWNGRADED AND ISSUER NOT CO-OPERATING'

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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.

Rating History :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Axis Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	8.24	Simple	ACUITE BBB Stable Assigned
SVC Co-Op Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	12.60	Simple	ACUITE BBB Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	13.15	Simple	ACUITE BBB Stable Assigned
SVC Co-Op Bank Limited	Not avl. / Not appl.	Term Loan	01 Feb 2020	Not avl. / Not appl.	01 Feb 2027	1.56	Simple	ACUITE BBB Stable Assigned
SVC Co-Op Bank Limited	Not avl. / Not appl.	Term Loan	01 Jan 2024	Not avl. / Not appl.	01 Jan 2031	2.06	Simple	ACUITE BBB Stable Assigned
SVC Co-Op Bank Limited	Not avl. / Not appl.	Term Loan	01 Apr 2024	Not avl. / Not appl.	01 Apr 2034	7.39	Simple	ACUITE BBB Stable Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	Shree Ganesh Bakery Nandani Private Limited
2	Chakote Cake Bake Private Limited
3	Chakote Agro Foods Private Limited

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About Acuité Ratings & Research

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