

December 17, 2025

## KF Bioplants Pvt. Ltd.: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term fund-based – Term loan	26.43	26.43	[ICRA]BBB (Stable); reaffirmed
Long-term fund-based – Working capital limits	6.50	6.50	[ICRA]BBB (Stable); reaffirmed
Short-term non-fund based – Working capital limits	1.25	1.25	[ICRA]A3+; reaffirmed
<b>Total</b>	<b>34.18</b>	<b>34.18</b>	

\*Instrument details are provided in Annexure-I

### Rationale

The ratings of KF Bioplants Private Limited (KFB) are based on the company's standalone credit profile. The financials of its subsidiary, Futura Bioplants Private Limited (Futura), have not been consolidated due to the significant shareholding of its joint venture (JV) partner, K Schoone Orchidden BV (49.89%), which limits KFB's ability to exercise full control over Futura's cash flows. The ratings also factor in the potential crystallisation of a contingent liability arising from the corporate guarantee extended by KFB on Futura's debt.

The rating reaffirmation reflects KFB's healthy financial risk profile and the expectation of its sustenance over the near to medium term. The company reported revenues of Rs. 88.9 crore in FY2025, compared to Rs. 85.8 crore in FY2024, while maintaining a comfortable capital structure and debt coverage indicators. The ratings continue to consider KFB's established operational track record and the promoters' experience of nearly two decades in the floriculture industry. The company also benefits from its strong association with Hilverda Florist BV, Netherlands (holding 49.89% in KFB), a global player in breeding and propagating gerbera cut flowers and potted plants. Additionally, KFB's presence in both export and domestic markets supports revenue diversification.

The ratings are, however, constrained by the company's moderate scale of operations relative to the overall floriculture industry. The profitability remains exposed to competitive pressures from artificial and low-cost alternative flowers in the domestic market, as well as rising input costs, which have led to a decline in operating profit margins (OPM) over the past two fiscals. Further, KFB faces foreign exchange (forex) fluctuation risk due to its significant export revenues. This risk is partly mitigated by a natural hedge through imports of mother seeds, royalty payments to breeders, and foreign currency loans.

The Stable outlook reflects ICRA's expectation that KFB will continue to benefit from its established track record, diversified customer base, and healthy financial profile.

### Key rating drivers and their description

#### Credit strengths

**Experienced promoters and strong association with Hilverda Florist BV** – KFB is a JV between Manish Vimalkumar Jain Trust (50%) and Hilverda Florist BV (50%), and is promoted by Mr. Manish Vimalkumar Jain, who has been associated with the floriculture industry for more than two decades. Hilverda Florist BV is a Dutch company specialised in the selection, breeding and propagation of gerbera cut flowers and potted plants. It is also part of the Royal Hilverda Group, which has been involved

in the breeding and propagation business over the last 110 years. KFB derives around 30% of its revenues from its sales to Hilverda Floerist BV. It also imports most of the mother seeds from them.

**Diversified revenue stream from both export and domestic markets** – KFB has a diversified geographic profile with presence in domestic and export markets. About 80% of KFB's revenues are derived from exports, with the Netherlands and Italy being its key export destinations, while the rest is generated from the domestic market. Despite moderation in domestic revenue, overall revenue growth in FY2025 was driven by healthy growth in exports. Going forward, revenue from exports will continue to account for 80-85% of its revenues, while domestic demand is expected to largely remain static.

**Healthy financial risk profile** – KFB's financial risk profile continues to remain healthy supported by steady accrual generation and moderate debt levels. Its gearing level remains low at 0.2 times as of March 2025. Despite some moderation owing to decline in profit margins, the coverage metrics remain healthy (interest coverage of 8.2 times for FY2025). Moreover, the company's credit metrics are expected to remain comfortable over the near to medium term, supported by steady cash generation.

### Credit challenges

**Moderate scale of operations** – With revenues of Rs. 88.9 crore in FY2025, KFB's scale continues to be moderate, relative to the overall floriculture industry. However, ICRA expects some improvement in the company's scale of operations over the medium term with gradual increase in capacity utilisation of KFB recently commissioned laboratory.

**Margins susceptible to competition from alternative as well as artificial flowers** – KFB faces competition from low-cost alternative and artificial flowers, thereby exerting pressure on its profit margins. The domestic demand for gerbera has moderated in recent times, primarily due to the use of artificial and cheaper alternatives like roses, chrysanthemum, lilies, etc. Also, the company's profitability remains susceptible to increasing input costs given its inability to fully pass on the same to its customers. The average price per plant has largely remained constant over the past 2-3 years, despite steady increase in overall micropropagation costs.

**Exposure to fluctuation in forex rates** – KFB generates around 80% of its revenues from exports, which exposes it to foreign currency fluctuations. Nonetheless, the import of mother seeds and royalty payment to breeders, coupled with foreign currency denominated loans, provide a natural hedge and minimise this risk to some extent.

**Exposed to agro-climatic conditions** – KFB is involved in the micropropagation of plants, most of which is carried out in a protected lab environment. KFB directly exports bare rooted plants from its laboratory to its overseas customers, while it grows the bare rooted plants in its greenhouse for domestic customers. While the greenhouse has regulated climatic conditions, it remains partially exposed to external agro-climatic conditions as seen in the past when its revenues were impacted by the heavy floods in western Maharashtra.

### Liquidity position: Adequate

KFB's liquidity profile remains adequate, supported by its steady accrual generation, cash and investment balance of Rs. 12.95 crore and cushion of Rs. 6.50 crore in the form of undrawn fund-based working capital limits as on March 31, 2025. KFB has annual debt repayment of Rs. 5.0-6.0 crore during FY2026-FY2027, which is expected to be comfortably met through its internal accrual generation. The company does not have any major capex plan in FY2026.

### Rating sensitivities

**Positive factors** – ICRA could upgrade KFB's rating if it demonstrates significant improvement in its scale of operations and earnings while maintaining its healthy debt protection metrics and adequate liquidity position, on a sustained basis.

**Negative factors** – Pressure on KFB’s ratings would arise in case of any material weakening in its revenue and earnings, or any significant debt-funded capex, or higher than anticipated dividend payout/ share buyback leading to weakening of its liquidity position and credit metrics, on a sustained basis. Specific metrics that could trigger a rating downgrade include Total Debt/OPBITDA above 2.5 times, on a sustained basis.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Not applicable
Consolidation/Standalone	The rating is primarily based on the standalone financial statement of the issuer. However, the rating also factors in the probability of crystallisation of the contingent liability in the form of corporate guarantee provided by KFB on Futura’s debt.

## About the company

KFB was established in 1997 as a joint venture between Florist Holland BV, Netherlands, and Kumar Gentech, India. Kumar Gentech was a 100% subsidiary of Kumar Properties in India. At present, the company is a JV between Manish Vimalkumar Jain Trust (50%) and Hilverda Florist BV (50%). Florist Holland BV merged with Hilverda Florist BV, effective from March 3, 2020. The company is a biotechnology firm with three propagation laboratories in Pune (Maharashtra). It specialises in micropropagation of floriculture plant species (e.g., gerbera, anthurium, carnation, limonium, etc.).

## Key financial indicators

KFB – Standalone	FY2024	FY2025*
Operating income	85.8	88.9
PAT	17.0	11.2
OPBDIT/OI	19.1%	17.9%
PAT/OI	19.9%	12.6%
Total outside liabilities/Tangible net worth (times)	0.3	0.2
Total debt/OPBDIT (times)	1.5	1.0
Interest coverage (times)	7.1	8.2

Source: Company, PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore, \*-Provisional numbers

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	Type	FY2026		FY2025		FY2024		FY2023	
		Amount rated (Rs crore)	Dec 17,2025	Date	Rating	Date	Rating	Date	Rating
<b>Fund-based – Working Capital limits</b>	Long Term	6.50	[ICRA]BBB (Stable)	Sep 03, 2024	[ICRA]BBB (Stable)	Aug 31, 2023	[ICRA]BBB (Stable)	Aug 10, 2022	[ICRA]BBB (Stable)
<b>Term loan</b>	Long Term	26.43	[ICRA]BBB (Stable)	Sep 03, 2024	[ICRA]BBB (Stable)	Aug 31, 2023	[ICRA]BBB (Stable)	Aug 10, 2022	[ICRA]BBB (Stable)
<b>Non-fund Based – Working Capital limits</b>	Short Term	1.25	[ICRA]A3+	Sep 03, 2024	[ICRA]A3+	Aug 31, 2023	[ICRA]A3+	Aug 10, 2022	[ICRA]A3+

### Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term Fund-based – Term loan	Simple
Long-term Fund-based – Working Capital limits	Simple
Short-term Non-fund Based – Working Capital limits	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	Dec 2021	EURIBOR+350bps	Dec 2027	26.43	[ICRA]BBB (Stable)
NA	Fund-based – Working Capital limits	NA	NA	NA	6.50	[ICRA]BBB (Stable)
NA	Non-fund Based – Working Capital limits	NA	NA	NA	1.25	[ICRA]A3+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis – Not applicable**

## ANALYST CONTACTS

### Jitin Makkar

+91 0124-4545368

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

### Uday Kumar

+91 0124-454867

[uday.kumar@icraindia.com](mailto:uday.kumar@icraindia.com)

### Vishal Balabhadruni

+91 040 6939 6417

[vishal.balabhadruni@icraindia.com](mailto:vishal.balabhadruni@icraindia.com)

## RELATIONSHIP CONTACT

### L. Shivakumar

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

### Ms. Naznin Prodhani

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.