

October 07, 2025

Kalpesh Corporation: Ratings placed on Watch with Negative Implications

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund based – Cash Credit	60.00	60.00	[ICRA]BB; placed on Rating Watch with Negative Implications
Long-term – Fund based – Term Loans	5.78	5.78	[ICRA]BB; placed on Rating Watch with Negative Implications
Long-term/ Short-term – Unallocated	0.22	0.22	[ICRA]BB; placed on Rating Watch with Negative Implications/ [ICRA]A4; placed on Rating Watch with Negative Implications
Total	66.00	66.00	

*Instrument details are provided in Annexure I

Rationale

The ratings assigned to Kalpesh Corporation (Kalpesh) have been placed on Watch with Negative Implications, given the likely negative impact of elevated US tariff on its business and thus, the credit profile.

Kalpesh generated about 56% of the revenue share of its key product, psyllium husk, from the US markets in FY2025 and about 59% in 5M FY2026. Given the imposition of US tariffs along with the penalty of 25% on Indian manufactured goods, effective August 27, 2025, ICRA has placed the ratings of the company on Watch with Negative Implications as the US is one of the key consuming markets of psyllium husk.

The US market depends on Indian companies for psyllium husk, which is primarily consumed as a daily health supplement, hence, Kalpesh is unlikely to face notable disruption amid lack of alternatives in the long term. ICRA will continue to monitor the developments closely and will take appropriate rating action based on the impact of the company's performance and its ability to continue the shipments to its major US clients in the short term.

ICRA will continue to monitor the evolving trade scenario. If the punitive tariff regime persists and Kalpesh is unable to adapt its business models swiftly, the same will be a credit negative for the firm. ICRA will then reassess the assigned ratings.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Rating sensitivities, Key financial indicators and Liquidity position: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Established in 1992, Unjha, Gujarat-based Kalpesh Corporation manufactures psyllium (isabgol) husk powder from psyllium seeds/husk. KC also undertakes cleaning and sorting of other agro commodities such as cumin seeds and fennel seeds on a job-work basis. KC is promoted and managed by Mr. Jitendra Kumar Nayak and Mr. Ramesh Kumar Nayak, who have more than two decades of experience in the agro-based business.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current ratings (FY2026)			Chronology of rating history for the past 3 years							
	Type	Amount rated (Rs. crore)	Oct 07, 2025	FY2026		FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long-term	60.00	[ICRA]BB Rating Watch with Negative Implications	May 20, 2025	[ICRA]BB (Stable)	-	-	Mar 15, 2024	[ICRA]BB (Stable)	Dec 21, 2022	[ICRA]B+ (Stable) ISSUER NOT COOPERATING
				-	-	-	-	Aug 04, 2023	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	-	-
Term loan	Long-term	5.78	[ICRA]BB Rating Watch with Negative Implications	May 20, 2025	[ICRA]BB (Stable)	-	-	Mar 15, 2024	[ICRA]BB (Stable)	Dec 21, 2022	[ICRA]B+ (Stable) ISSUER NOT COOPERATING
				-	-	-	-	Aug 04, 2023	[ICRA]B+ (Stable) ISSUER NOT COOPERATING	-	-
Unallocated	Long-term/Short-term	0.22	[ICRA]BB; Rating Watch with Negative Implications/ [ICRA]A4; Rating Watch with Negative Implications	May 20, 2025	[ICRA]BB (Stable)/ [ICRA]A4	-	-	Mar 15, 2024	[ICRA]BB (Stable)/ [ICRA]A4	Dec 21, 2022	[ICRA]B+(Stable) ISSUER NOT COOPERATING / [ICRA]A4 ISSUER NOT COOPERATING
				-	-	-	-	Aug 04, 2023	[ICRA]B+(Stable) ISSUER NOT COOPERATING/ [ICRA]A4 ISSUER NOT COOPERATING	-	-
Cash credit	Short-term	-	-	-	-	-	-	Aug 04, 2023	[ICRA]A4 ISSUER NOT COOPERATING	Dec 21, 2022	[ICRA]A4 ISSUER NOT COOPERATING

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund based – Cash credit	Simple
Long-term – Fund based – Term loan	Simple
Long-term/Short-term – Unallocated	Not applicable

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	Cash credit	NA	9.50%	NA	60.00	[ICRA]BB; Rating Watch with Negative Implications
NA	Term loan	FY2023	9.25%	FY2028	2.18	[ICRA]BB; Rating Watch with Negative Implications
NA	Term loan	FY2025	9.50%	FY2030	3.60	[ICRA]BB; Rating Watch with Negative Implications
NA	Unallocated	NA	NA	NA	0.22	[ICRA]BB; Rating Watch with Negative Implications/ [ICRA]A4; Rating Watch with Negative Implications

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

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