

March 18, 2026

Pravin Masalewale: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term - fund based - Cash credit	145.00	145.00	[ICRA]A-(Stable); reaffirmed
Short-term – non-fund based limits	5.00	7.00	[ICRA]A2+; reaffirmed
Long-term - fund based - Term loans	218.08	225.97	[ICRA]A-(Stable); reaffirmed
Long-term/short-term – Unallocated limits	11.92	2.03	[ICRA]A-(Stable)/ [ICRA]A2+; reaffirmed
Total	380.00	380.00	

*Instrument details are provided in Annexure I

Rationale

While arriving at the ratings, ICRA has considered the consolidated financials of Pravin Masalewale (PM) and Aveer Foods Limited (AFL), collectively referred to as the Group, given their operational and financial linkages and common promoters. ICRA also notes that, following the slump sale of Kamal Industries' business to AFL, the analytical approach has been revised to consolidated financials of PM and AFL, from the earlier approach of consolidating PM, AFL and Kamal Industries. However, the historical financials up to FY2025 continue to include Kamal Industries.

The ratings on the bank lines of PM factor in its established presence in the spices industry, supported by strong brand recognition for Suhana and Ambari in the Maharashtra market. The company benefits from a well-entrenched network of more than 1,500 distributors and 27 CFA agents, catering to general trade, institutional sales and e-commerce channels. Revenues have expanded at a healthy CAGR of around 14% during FY2021–FY2025, driven by healthy traction in blended spice powders and chilli-based products.

The Group's consolidated financial profile is characterised by healthy profitability (operating margin of 12.8% in FY2025) and comfortable debt protection metrics, with total debt/OPBDITA at 2.2 times and DSCR at 2.5 times in FY2025. Its financial profile is expected to remain stable in the near to medium term, supported by healthy revenue growth of 5-10% driven by favourable demand, an expanding product portfolio and the capacity expansion, leading to steady cash accruals. The ratings also draw comfort from the promoters' extensive experience of over two decades in the masala and food processing industry and the Group's integrated value chain, spanning raw material procurement to sales.

ICRA notes that the Group is setting up a new manufacturing plant at Bholi, Maharashtra, which will triple its existing capacity. The plant commenced partial operations in September 2025, with full-scale operations expected to begin from April 2026. The total project cost has been revised upwards to around Rs. 350 crore from the earlier estimate of Rs. 300 crore, primarily on account of cost escalations and the additional machineries. The project has been funded through term loans amounting to Rs. 200 crore and internal accruals. The company's ability to scale-up the new unit to healthy utilisation levels and generate commensurate returns will remain a key rating monitorable.

Given PM's partnership constitution, the risks associated with capital withdrawals persist. The extent of capital withdrawals will remain a key rating monitorable from a liquidity and net worth accretion perspective. The ratings also factor in the highly competitive intensity in the spices industry, which limits pricing flexibility, and the geographical concentration risk, with around 90% of revenues derived from Maharashtra in FY2025, although the Group is gradually expanding beyond its core market.

The Stable outlook reflects ICRA's expectation that the Group will continue to report healthy revenue and earnings growth, supported by its established market position, strong brand presence and the benefits expected to accrue from the capacity expansion.

Key rating drivers and their description

Credit strengths

Established track record and extensive experience of promoters – Established in 1962, the Group benefits from the extensive experience of its promoters in the spices industry, which spans over six decades. Over the years, the Group has built a strong market position in the organised spices segment, particularly in Maharashtra. Its well-established network of over 1,500 distributors, coupled with its strong brand recognition, provides the Group with competitive advantages in the spice industry.

Wide product portfolio – The Group has a diversified product portfolio, catering to a wide array of culinary preferences and consumer needs. The portfolio spans pure spices such as chili, turmeric, and coriander powders, alongside a variety of blended masalas tailored for regional and multicuisine applications. The company also has ready-to-eat meal options, instant mixes, pickles, chutneys, and papads. The Group's affordable product range, along with its distribution network, support product acceptance across Maharashtra and other states leading to growth in sales volume.

Comfortable financial profile – The Group's revenue expanded at a healthy CAGR of 14% during FY2021–FY2025, aided by new product launches, increased penetration in Maharashtra, and expanded presence in other states such as Karnataka, Rajasthan and Uttar Pradesh. The consolidated operating margin remained healthy at 12.8% in FY2025 (13.3% in FY2024). Over the years, its margins have been supported by a favourable product mix of higher contributions from the blended spices and instant mix segments, which garner higher margins, as well as the Group's ability to pass on raw material price increases to customers. Although the coverage metrics moderated marginally in FY2025, they remained comfortable with DSCR and interest cover of 2.5 times and 7.4 times, respectively (DSCR of 3.3 times and interest cover of 8.5 times in FY2024). They are expected to improve over the medium term, with likely sustenance of healthy margins and gradual reduction in debt levels in the absence of any large debt-funded capex.

Credit challenges

Susceptibility of revenues and profitability to commodity price fluctuations – The Group's earnings remain vulnerable to availability of agro-commodities and volatility in their prices, which are influenced by external factors like climatic conditions and demand-supply mismatch. However, the company has generally been able to pass on the commodity price fluctuations to its customers.

High geographical concentration risk – The Group remains exposed to geographical concentration risks as over 90% of its revenues have been derived from Maharashtra in the past few years. However, ICRA notes that the company is working towards increasing its revenue from Rajasthan, Uttar Pradesh, Karnataka, etc., through various sales and distribution initiatives. Moreover, it is also focussing on expanding its export sales.

Risks related to partnership nature of firm – PM is exposed to capital withdrawal risks by the partners as witnessed before, given its partnership structure. Any material withdrawals that weaken the net worth or the liquidity profile will remain a key rating monitorable. However, ICRA notes that the partners have infused funds, as and when needed, mostly in the form of capital and as unsecured loans.

Liquidity position: Adequate

The liquidity position is Adequate, supported by expected retained cash flows of Rs. 75-80 crore in FY2027 and buffer of around Rs. 30 crore in its sanctioned limits as of January 2026. It is noted that given the seasonality in raw material procurement, utilisation is typically higher during July–October/November (typically till Diwali season). ICRA notes that the Group has repayment obligations of around Rs. 54 crore and a capex of Rs. 15-20 crore in FY2027, which is expected to be serviced comfortably from its cash flows.

Rating sensitivities

Positive factors – The ratings could be upgraded if the Group demonstrates healthy revenue growth while maintaining its margins, leading to an improvement in debt protection metrics, and strengthening of its liquidity profile. Further, ramp up of operations from the recently completed capex remain key monitorable factor.

Negative factors – Pressure on the ratings will emanate with sustained and sharp deterioration in earnings impacting the debt metrics and/or stretched working capital cycle or sizeable capital withdrawal/dividend payout affecting the liquidity profile. Specific credit metrics that could lead to a downgrade of ratings include DSCR of less than 1.8 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	ICRA has considered the consolidated financials of Pravin Masalewale (PM) and Aveer Foods limited (AFL), collectively referred to as the Group

About the company

Pravin Masalewale was established as a partnership firm in 1962 and primarily manufactures packaged spices, with an installed production capacity of 50,400 MTPA. It also manufactures papads and pickles through Kamal Industries and Aveer Foods Ltd. The company's flagship brand is Suhana, complemented by other brands such as Ambari, Sarvam, Toofan, Pravin, and Navin. Pravin Masalewale operates five manufacturing units across India and all its units are compliant with Good Manufacturing Practices (GMP) and HACCP/ISO standards.

Key financial indicators (audited)

Consolidated	FY2024	FY2025
Operating income	1,342.4	1,437.6
PAT	85.4	79.1
OPBDIT/OI	13.3%	12.8%
PAT/OI	6.0%	5.6%
Total outside liabilities/Tangible net worth (times)	1.8	1.9
Total debt/OPBDIT (times)	1.7	2.2
Interest coverage (times)	8.5	7.4

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Standalone	FY2024	FY2025
Operating income	1,237.9	1,320.1
PAT	82.4	76.1
OPBDIT/OI	13.8%	13.3%
PAT/OI	6.7%	5.8%
Total outside liabilities/Tangible net worth (times)	2.0	2.2
Total debt/OPBDIT (times)	1.7	2.3
Interest coverage (times)	8.6	7.5

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Chronology of rating history for the past 3 years								
	Current rating (FY2026)			FY2025		FY2024		FY2023	
	Type	Amount rated (Rs crore)	Mar 18, 2026	Date	Rating	Date	Rating	Date	Rating
Long term - fund based - Cash Credit	Long-term	145.00	[ICRA]A-(Stable)	Jan 09, 2025	[ICRA]A-(Stable)	-	-	-	-
Short term - non fund based limits	Short-term	7.00	[ICRA]A2+	Jan 09, 2025	[ICRA]A2+	-	-	-	-
Long term - fund based - Term loans	Long Term	225.97	[ICRA]A-(Stable)	Jan 09, 2025	[ICRA]A-(Stable)	-	-	-	-
Long term / Short term -Unallocated Limits	Long Term/ Short term	2.03	[ICRA]A-(Stable)/ [ICRA]A2+	Jan 09, 2025	[ICRA]A-(Stable)/ [ICRA]A2+	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term - fund based - Cash Credit	Simple
Short term - non fund based limits	Simple
Long term - fund based - Term loans	Simple
Long term / Short term -Unallocated Limits	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	NA	NA	145.00	[ICRA]A-(Stable)
NA	Non-Fund Based Limits	NA	NA	NA	7.00	[ICRA]A2+
NA	Term loans	FY2025	-	FY2031	225.97	[ICRA]A-(Stable)
NA	Unallocated Limits	NA	NA	NA	2.03	[ICRA]A-(Stable)/ [ICRA]A2+

Source: Company

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

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
Pravin Masalewale	NA*	Full Consolidation
Aveer Foods Limited	NA**	Full Consolidation
Kamal Industries^	NA**	Full Consolidation

*Parent entity **promoter-owned company ^ Financials are considered up to FY2025, as KI was sold on a slump-sale basis to Aveer Foods Limited during the current fiscal

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