

March 19, 2026

CPF (India) Private Limited: Ratings reaffirmed; outlook revised to Stable from Negative

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term – Term Loans	23.55	-	-
Short-term – Fund based	835.00	-	-
Long-term/Short-term – Fund based	-	655.00	[ICRA]BB+(Stable)/[ICRA]A4+; reaffirmed; outlook revised to Stable from Negative
Long-term – Unallocated	2.68	-	-
Total	861.23	655.00	

*Instrument details are provided in Annexure-I

Rationale

The revision in outlook to Stable on the long-term rating of CPF (India) Private Limited (CPFIPL) considers the improvement in its operating and financial performance in recent quarters, and expectations of this to sustain, going forward. The company primarily operates in the sale of poultry and aqua products, which were earlier generating operating losses and have turned around to a large extent over recent periods, on the back of various measures undertaken by the management. The company undertook various cost reduction initiatives, which included closure of multiple loss-making farms, improving capacity utilisation of existing farms and monetisation of non-core assets to reduce fixed costs. The same has resulted in reduction of operating losses to Rs. 12.1 crore in FY2025 from Rs. 133.8 crore in FY2024. In the current fiscal as well, while the overall revenue growth remained flat in 9M FY2026, the company was able to post operating profit of Rs. 45.3 crore; although continued interest and depreciation outgo resulted in a net loss of Rs. 38.2 crore. Following these measures and with the company's focus on improving its collection cycle, it has reduced the working capital debt to Rs. 303.9 crore as of December 2025 from Rs. 556.4 crore as of March 2024. Further, its long-term debt (excluding lease liabilities) is scheduled to be fully repaid by the end of FY2026 and there are no plans of availing further debt in the medium term. Along with the improving profitability, this is expected to support further improvement in the debt coverage metrics.

The rating reaffirmation continues to factor in the healthy operational and financial support enjoyed by CPFIPL from Charoen Pokphand Foods Public Company Limited, Thailand (CP Foods), through its wholly-owned subsidiary, CPF Investment Limited. Apart from periodic technological inputs, CPFIPL has received regular equity infusions from the parent in the past, and these are likely to continue going forward as well, should there be a need. Till December 2025, the parent had infused approximately Rs. 2,100 crore, with the latest equity infusion being Rs. 595.0 crore in H1 FY2024. ICRA also derives comfort from CPFIPL's diversified revenue base and its established presence in the domestic poultry and aqua businesses.

The ratings, however, remain constrained by the weak debt coverage metrics and high geographic concentration in South India. Further the revenues and earnings of the company are vulnerable to risks arising from disease outbreaks (both in the poultry and aqua divisions) and the inherent cyclicity in the poultry industry. ICRA notes that the company has written off its investments in its joint venture (JV) company, Andhra Pradesh Broodstock Multiplication Centre Private Limited (APBMC), in FY2025, following the classification of APBMC as a non-performing asset by the lender and no operations in the company since the last year. The company also wrote off its investment in its Sri Lankan subsidiary, Lotus Aquaculture Lanka (Private) Limited, on account of the volatile political and economic situation in the country affecting the operations and production.

The Stable outlook on the long-term rating reflects ICRA's expectation that the company will be able to sustain its credit profile, supported by its strong business profile.

Key rating drivers and their description

Credit strengths

Strong financial and operational support as part of the Thai-based CPF Group – CPF IPL is a wholly-owned subsidiary of CPF Investment Limited, which in turn is a wholly-owned subsidiary of CP Foods, Thailand. The ultimate parent is an established global player in livestock and aquaculture businesses, spread across 17 countries, with exports to about 50 countries and consolidated revenues of close to Rs. 1,50,000 crore in CY2025. Apart from periodic technological inputs, CPF IPL has received regular equity infusion from its parent in the past, which is likely to continue going forward as well, as and when required. The parent has infused approximately Rs. 2,100 crore equity into the company since FY2013 for CPF IPL's business requirements, including growth, capex and loss funding, the latest of which was Rs. 595.0 crore in H1 FY2024.

Diversified revenue base; established presence in the Indian shrimp feed and poultry segments – The company's revenues are diversified across its aqua (57% of its revenues in FY2025, wherein the company primarily sells shrimp feed, processed shrimp and shrimp seed) and poultry businesses (43% of the revenues in FY2025, wherein the company primarily sells broilers, broiler feed and processed chicken and runs Quick Service Restaurants, or QSRs). The diversification mitigates risks arising from loss of revenues to competition in a particular segment, to an extent. Further, the company remains one of the leading shrimp feed players in the country and is an established player in the poultry sector as well.

Credit challenges

Operating losses in FY2025; weak coverage metrics – The company reported operating income of Rs. 2,967.1 crore in FY2025, with an operating loss of Rs. 12.1 crore. While the extent of operating losses has reduced from Rs. 133.8 crore in FY2024 and Rs. 59.9 crore in FY2023, the company's ability to turn around operations completely and turn self-sustainable, remain a key monitorable. Towards this, the company has been increasingly its focussing on margin-accretive products including processed chicken in its poultry division and closing down loss-making farms to reduce overheads and losses. Further, in FY2024, the company exited the fish feed business in its aqua division, because of relatively low margins. Supported by all these measures, the company has been able to report operating profit of Rs. 45.3 crore in 9M FY2026; although it continues to post net losses due to high interest and depreciation outgo. Due to lower profitability, the coverage metrics remained weak in FY2025 and 9M FY2026 with interest coverage ratio of -0.2 and 1.6 times, respectively.

Vulnerable to movement in raw material prices and exposed to inherent cyclicity and risks of disease outbreaks – Akin to other poultry and aqua players, CPF IPL is susceptible to risks arising from potential outbreak of Avian influenza (bird flu). Shrimp farms are also vulnerable to disease outbreaks, which can impact the demand for shrimp feed over specific periods. Further, CPF IPL's operating margins also remain vulnerable to the inherent cyclicity in the poultry industry; although increase in the proportion of revenues from the relatively stable HoReCa¹/ QSR segment in the poultry business mitigates the risk to an extent.

High geographic concentration of CPF IPL's business from South India – The company continues to derive over 80% of its total revenues from Andhra Pradesh, Karnataka, Telangana, and Tamil Nadu in H1 FY2026. Of this, a large part (>70%) comes from Andhra Pradesh. This exposes the company to region-specific risks.

¹ Hotels, Restaurants and Catering

Liquidity position: Adequate

CPFIPL's liquidity position is adequate supported by an available buffer of more than Rs. 300.0 crore against sanctioned working capital limits, as on November 30, 2025. Further, CPFIPL's parent remains committed to extend timely and adequate financial support, as and when required. In addition, the company had unencumbered cash and bank balances of Rs. 19.6 crore as on December 31, 2025. In relation to these sources of cash, CPFIPL does not have term loan repayment obligations after FY2026, and no capex planned apart from the minimal maintenance capex of Rs. 10-20 crore annually.

Rating sensitivities

Positive factors – The ratings could be upgraded if the company demonstrates a sustained track record of profitable operations and controlled debt levels, supporting improvement in its liquidity position and debt protection metrics.

Negative factors – Negative pressure on ratings could emanate in case of a sustained weakening in operations, leading to an increase in debt levels or weakening of the liquidity position. Further, weakening in the parent's credit profile or CPIPL's operational/financial linkages with the parent could exert negative pressure on the ratings.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Parent Company: CPF Investment Limited (wholly-owned subsidiary of CP Foods, Thailand). ICRA expects CPFIPL's ultimate parent to extend timely and adequate financial support to CPFIPL, as and when required. The parent also has a track record of having extended financial support to CPFIPL.
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated profile of CPF (India) Private Limited. Details are provided in Annexure-II.

About the company

CPFIPL is engaged in the sale of poultry and aqua products for domestic markets. The aqua division (wherein the company primarily sells shrimp feed, processed shrimp and shrimp seed) accounted for 57% of its sales, while the poultry division (wherein the company primarily sells broilers, broiler feed and processed chicken, and runs QSRs) constituted 43% of its H1 FY2026 revenues. The company is a subsidiary of CPF Investment Limited (which in turn is a wholly-owned subsidiary of CP Foods, Thailand). Apart from CPFIPL, the CPF Group has interests in other companies in India—all involved in food and food processing. One of the companies manufactures aqua feed for the Tamil Nadu market, where CPFIPL has only a minimal presence. The other Indian entities, except the aqua feed company, are smaller in scale compared to CPFIPL.

Key financial indicators (audited)

CPF (India) Private Limited (consolidated)	FY2024	FY2025
Operating income (OI)	2,565.2	2,967.1
PAT	(297.1)	(184.6)
OPBDIT/OI	-5.2%	-0.4%
PAT/OI	-11.6%	-6.2%
Total outside liabilities/Tangible net worth (times)	0.4	0.4
Total debt/OPBDIT (times)	-5.7	-44.5
Interest coverage (times)	-1.7	-0.2

Amount in Rs. crore; Source: Company, ICRA Research; Financial ratios in this document are ICRA adjusted figures and may not be directly comparable with results reported by the company in some instances; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; total debt includes lease liabilities

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current rating (FY2026)			Chronology of rating history for the past 3 years			
	Type	Amount rated (Rs. Crore)	Date & Rating in FY2026	Date & Rating in FY2025	Date & rating in FY2024	Date & rating in FY2023	
			March 19, 2026	February 13, 2025	December 07, 2023	March 31, 2023	May 05, 2022
1 Term Loans	Long term	-	-	[ICRA]BB+ (Negative)	[ICRA]BBB- (Stable)	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)
2 Fund Based	Short-term	-	-	[ICRA]A4+	[ICRA]A3	[ICRA]A4+	[ICRA]A3
3 Fund Based	Long term/ Short term	655.00	[ICRA]BB+ (Stable)/ [ICRA]A4+	-	-	-	-
4 Unallocated	Long term	-	-	[ICRA]BB+ (Negative)	[ICRA]BBB- (Stable)	[ICRA]BB+ (Stable)	[ICRA]BBB- (Negative)

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-Term/Short-Term Fund based 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	Fund based limits	NA	NA	NA	655.00	[ICRA]BB+(Stable)/[ICRA]A4+

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
CPF (India) Private Limited	100.00% (rated entity)	Full consolidation
C.P. Norfolk (India) Private Limited	40.00%	Equity Method

Source: Company

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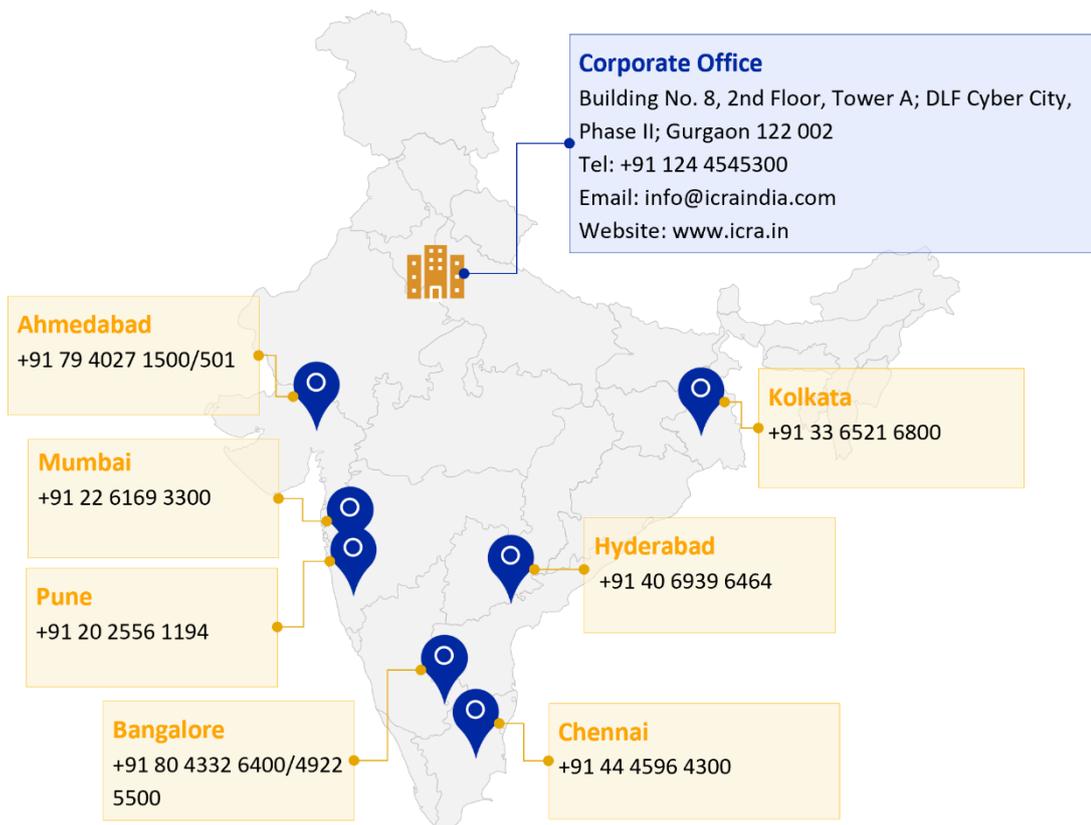
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