

April 30, 2026 (Revised)

Ramdev Food Products Private Limited: 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	100.50	100.50	[ICRA]A- (Stable); reaffirmed
Long-term fund-based – Term loan	35.23	17.48	[ICRA]A- (Stable); reaffirmed
Short-term – Non-fund based	3.02	3.02	[ICRA]A2+ reaffirmed
Long-term/ Short-term – Fund based/Non-fund based – Interchangeable^	(66.50)	(66.50)	[ICRA]A- (Stable)/[ICRA]A2+ reaffirmed
Total	138.75	121.00	

*Instrument details are provided in Annexure-II; ^Sublimit of cash credit limits

Rationale

The reaffirmation of ratings considers a stable market position of Ramdev Food Products Private Limited (Ramdev) in the branded spices business and its comfortable financial performance, which are expected to sustain in the medium term. The growth in Ramdev's top line remained muted at 2% in 9M FY2026 after a double-digit growth (11%) in FY2025. Nevertheless, favourable raw material prices due to bulk purchases made during harvest seasons and price premium over unorganised players supported the company's operating margin, which improved to 15.7% in 9M FY2026 (provisional) from 9.8% in FY2024. Sustenance of the improved margins remains to be seen, given the margin volatility witnessed historically and the company's plans to expand into new geographies, which may entail higher promotional expenses. However, Ramdev's earnings are expected to remain healthy, supporting its return on capital employed, which stood at 26.6% in 9M FY2026 (provisional), increasing steadily from 15.1% in FY2024.

The ratings continue to factor in the long experience of the promoters and good recognition of the company's brand (Ramdev) in the organised spice industry, especially in western India including Gujarat, its well-entrenched distribution network and diversified customer base. The ratings also continue to draw comfort from the company's comfortable capital structure, reflected in a gearing of 0.2 times and total outside liabilities vis-à-vis tangible net worth (TOL/ TNW) of 0.4 times as on December 31, 2025 (provisional), which is likely to sustain in the near to medium term, given the absence of any major debt-funded capital expenditure (capex) and limited reliance on external working capital borrowings due to healthy accruals. A sizeable portion of the debt on the company's books is in the form of unsecured loans from promoters, which do not have any fixed repayment schedule, supporting the liquidity position.

The ratings, however, remain constrained by the geographical concentration of Ramdev's revenues to a single state and intense competition in the spice processing and packaged snacks industry, which limits the pricing flexibility. The ratings also factor in the susceptibility of the company's revenues and profitability to commodity price fluctuations, which are influenced by external factors such as climatic conditions. As inherent in the food industry, any quality-related issue could dent its brand image and remains a key risk. As on December 31, 2025 (provisional), Ramdev had extended Rs. 35.7 crore of loans to related parties (accounting for 13% of the net worth). The company also allows favourable credit terms for a channel partner in the export market, because of which around 39% of the debtors were outstanding for more than six months as on December 31, 2025 (provisional). This helps Ramdev retain and expand its footprint in overseas markets. However, any sizeable increase or non-recovery of the loans or receivables remains a key monitorable.

The Stable outlook on the long-term rating factors in ICRA's expectations that the company will be able to maintain its strong market position in its core markets, rendering stability to its revenues and earnings, while Ramdev's focus on expanding its geographical reach is likely to support business growth. Coupled with limited reliance on external borrowings and absence of any major capex plans, on the back of adequate unutilised capacities at present, this would support the capital structure and debt coverage indicators.

Key rating drivers and their description

Credit strengths

Extensive experience and track record of promoters in spices business – Established in 1965, the promoters of Ramdev have over 60 years of experience in the spice industry. It has an established presence in the branded spices business and enjoys long relationships with its suppliers.

Robust distribution network; established and diversified customer base – Ramdev sells products under its own brand, i.e., 'Ramdev' and enjoys good recognition in western India. Ramdev has seven company-owned stores in Ahmedabad, Gujarat. Along with 13 clearing and forwarding (C&F) agents, Ramdev has more than 1,450 distributors catering to Gujarat, Maharashtra, Rajasthan, Madhya Pradesh, Odisha, and Delhi. The company's products are placed in more than 1.26 lakh retail shops across India. Ramdev's products have a wide reach in western India, primarily Gujarat, because of the availability of its products across the distribution channel and value chain. The company's top 10 customers contributed around 13% to its total revenues in FY2026. Apart from the consumer business, it also caters to customers in the hotels, restaurants and catering (HoReCa) sector, and generates around 20% of its sales through modern trade channels.

Comfortable capital structure with low external debt – The capital structure of the company remains comfortable with a gearing of 0.2 times and TOL/TNW of 0.4 times as on December 31, 2025 (provisional), against 0.3 times and 0.6 times, respectively, as on March 31, 2025. Of the total debt of Rs. 42.2 crore as on December 31, 2025, unsecured loans from promoters comprised Rs. 20.2 crore, whereas the working capital borrowing remained nil, and the term loan outstanding stood at Rs. 22 crore. The unsecured loans do not have any fixed repayment schedule, which supports the liquidity position of the company and reduces dependence on external borrowings. Limited debt and improved earnings led to healthy debt coverage metrics, as reflected by the interest coverage and DSCR of 17.9 times and 4.6 times, respectively, in 9M FY2026 vis-à-vis 9.4 times and 3.2 times, respectively, in FY2025.

Credit challenges

Exposed to geographical concentration risks – Ramdev remains exposed to geographical concentration risks, with 60-66% of its revenues coming from Gujarat over the past few years. However, ICRA notes that the company is working towards increasing its market share in Rajasthan, Maharashtra, Madhya Pradesh and southern India through various sales and distribution initiatives. Ramdev is also focused on increasing its share of export revenues.

Profitability remains vulnerable to commodity price fluctuations – Ramdev's operations remain vulnerable to availability of agro-commodities and volatility in their prices, which are influenced by external factors like climatic conditions and demand-supply mismatches. Any sharp rise in raw material prices may adversely impact its profitability as pricing flexibility in packaged foods products remain limited due to competition and sensitivity of consumer demand, resulting in a lag in revision of selling prices relative to the movement in raw material prices. The company's operating margins remained volatile in the past. However, there has been a steady improvement in its operating margin since FY2024, supported by favourable raw material prices, cost benefits derived through bulk purchases and leveraging of an established brand position, which fetches some premium over regional players.

Intense competition and quality related risks – The spice processing and packaged snacks industries are very competitive and fragmented, given the low entry barriers and limited complexity of production work involved. In the snacks division, Ramdev is a relatively new player and has seen lower-than-expected offtake since commencement of its operations. Players in the food industry also face risks related to quality and reputation.

Liquidity position: Adequate

The liquidity position of the company remains adequate, supported by healthy cash flow from operations, which stood at Rs. 48 crore in FY2025 and is expected remain in the range of Rs. 40-50 crore in the medium term, with sizeable undrawn working capital (estimated drawing power of around Rs. 60 crore as of March 2026). In addition, continuing unsecured loans from promoters (around Rs. 20 crore outstanding), free cash and liquid investments of around Rs. 55 crore as on December 31, 2025, and absence of any major capex plans in the near-to-medium term provide additional comfort to the liquidity position. The company has annual debt repayment obligations of Rs. 12.2 crore in FY2027 and Rs. 2.9 crore in FY2028, which would be comfortably met. Unsecured loans extended by the company to related parties and elongated receivable days for exports encumber its liquidity to an extent. The amount of unsecured loans given declined to some extent in 9M FY2026; however, any sizeable increase in unsecured loans to related parties or material rise/non-recovery of export receivables could adversely impact its liquidity position.

Rating sensitivities

Positive factors – The ratings may be upgraded in case the company is able to demonstrate a significant increase in market penetration outside Gujarat, leading to a robust growth in its revenues with sustenance of improved profitability, along with a healthy liquidity position. Sustenance of a conservative capital structure and strong debt coverage metrics would also remain imperatives for an upward rating movement.

Negative factors – The ratings could be downgraded in case of a significant decline in revenues and earnings due to intense competition and/or adverse demand conditions. Besides, a sustained deterioration in the leverage/coverage metrics or liquidity position due to any large debt-funded capex or sizeable incremental funding support to related parties or a material increase in receivables, particularly from the export markets, may also exert pressure on the ratings. Weakening of DSCR to below 2.0 times on a sustained basis could also lead to ratings downgrade.

Analytical approach

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

About the company

Ramdev Food Products Private Limited, established in 1965, manufactures spices, blended spices, instant mixes, snacks, etc., at its facility in Changodar, Gujarat, and packaged snacks at Chiyada, near Ahmedabad. It was promoted by the Late Rambhai Patel and is now managed by Mr. Hasmukh Patel and family. The company has an established distribution network across India, with major presence in western India. It sells its products under its brand, 'Ramdev'. The company's equity shares are entirely held by the promoters.

Key financial indicators (audited)

Ramdev	FY2024	FY2025	9M FY2026*
Operating income	524.8	583.8	434.8
PAT	26.0	43.3	51.3
OPBDIT/OI	9.8%	12.9%	15.7%
PAT/OI	5.0%	7.4%	11.8%
Total outside liabilities/Tangible net worth (times)	0.8	0.6	0.4
Total debt/OPBDIT (times)	1.4	0.8	0.5
Interest coverage (times)	8.6	9.4	17.9

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; *Provisional

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
	FY2027			FY2026		FY2025		FY2024	
	Type	Amount Rated (Rs Crore)	Apr 30, 2026	Date	Rating	Date	Rating	Date	Rating
Cash Credit	Long Term	100.50	[ICRA]A-(Stable)	-	-	Jan 08, 2025	[ICRA]A-(Stable)	Oct 11, 2023	[ICRA]A-(Stable)
Term Loan	Long Term	17.48	[ICRA]A-(Stable)	-	-	Jan 08, 2025	[ICRA]A-(Stable)	Oct 11, 2023	[ICRA]A-(Stable)
Non-fund-based limits	Short Term	3.02	[ICRA]A2+	-	-	Jan 08, 2025	[ICRA]A2+	Oct 11, 2023	[ICRA]A2+
Fund-based/ Non-fund based – Interchangeable *	Long Term/ Short Term	(66.50)	[ICRA]A-(Stable)/ [ICRA]A2+	-	-	Jan 08, 2025	[ICRA]A-(Stable)/ [ICRA]A2+	Oct 11, 2023	[ICRA]A-(Stable)/ [ICRA]A2+

*Sublimit of cash credit limits

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA-rated instruments fall under the regulatory purview of various Financial Sector Regulators (FSRs), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under the regulatory purview of various FSRs, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Fund-based – Cash Credit	Simple
Fund-based – Term Loan	Simple
Non-fund-based limits	Simple
Fund based/Non-Fund based – Interchangeable*	Simple

*Sublimit of cash credit limits

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 II: 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	100.50	[ICRA]A- (Stable)
NA	Term Loan	FY2023	8.5%	FY2027	17.48	[ICRA]A- (Stable)
NA	Non fund-based limits	NA	NA	NA	3.02	[ICRA]A2+
NA	Fund based/Non-Fund based – Interchangeable*	NA	NA	NA	(66.50)	[ICRA]A- (Stable)/[ICRA]A2+

Source: Company; *Sublimit of cash credit limits

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

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

Corrigendum

Annexure number revised below 'Summary of rating action'

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