June 11, 2026 (Revised)

Poona Dal and Besan Mills 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	40.00	50.00	[ICRA]BBB+ (Stable); reaffirmed
Short-term – Non-fund based – Others	115.00	90.00	[ICRA]A2; reaffirmed
Long-term – Fund based – Term Loan	10.00	2.86	[ICRA]BBB+ (Stable); reaffirmed
Total	**165.00**	**142.86**	

**Instrument details are provided in Annexure II*

Rationale

While arriving at the ratings, ICRA has taken a consolidated view of the credit profiles of the two entities in the Poona Dal Group (referred to as the Group), namely Poona Dal and Besan Mills Private Limited (PDBM) and Poona Dal and Oil Industries Limited (PDOIL) (please refer to the analytical approach section for details).

The ratings continue to factor in the Group's established presence for over three decades in the agro processing, foodgrains and edible oil industries. ICRA notes the Group's experienced management and sizeable scale of operations in a fragmented and unorganised sector. However, the scale moderated to some extent in FY2026 (provisional) on account of lower volume offtake. Nevertheless, ICRA expects a gradual improvement in the company's revenue going forward. The Group has a strong distribution network, a centralised procurement system and established brands in the local market. The products have favourable demand prospects as foodgrains are essential constituents of the staple Indian diet. The Group's financial profile remains stable, with a conservative capital structure, along with a strong liquidity position. ICRA believes that the sizeable cash surplus maintained by the Group would continue to support its comfortable debt coverage metrics and strong liquidity position. Going forward, the company's ability to increase the share of value-added products and premiumise its portfolio, improve operating performance and margins, and efficiently manage working capital will remain key rating drivers.

The ratings remain constrained by the Group's moderate operating performance, characterised by thin profit margins and low cash accruals, although the same improved in FY2026 owing to better realisations. The profitability of the Group is likely to remain range-bound, given the limited value addition in the business and intense competition in the food segment. The Group is exposed to the Government's policy actions, which may impact its business and profitability, as witnessed in the past with the imposition of import duty on chickpeas/edible oil and GST on branded products. ICRA also notes the company's exposure to agro-climatic conditions, the commodity price cycle and currency movements. As the Group is present in the food industry, its quality and reputation-related risks are high, which could impact the Group's pricing strength and business.

The Stable outlook on the long-term rating reflects ICRA's opinion that the Group is expected to maintain its business positioning. Further, the outlook underlines ICRA's expectation that the Group's incremental capex, if any, to further expand capacity or meet higher working capital requirements, will be funded in a manner that would enable the Group to maintain its debt protection metrics and liquidity position commensurate with the existing rating.

Key rating drivers and their description

Credit strengths

Group's established presence with experienced management – PDBM is the flagship company of the Poona Dal Group, which processes and trades in pulses, wheat flour and other foodgrains. Its other Group entity, PDOIL, is involved in the processing of edible oils, apart from trading in pulses. The Group has an established presence of more than three decades in the agro and foodgrains industry, supported by an experienced management team. PDOIL is one of the large traders and processors of pulses in the region and operates in a highly fragmented and unorganised market. The flour mill installed by the company in FY2024 has enabled the company to diversify its product and revenue base.

Conservative capital structure, comfortable debt coverage metrics and healthy liquidity – The Group's gearing has remained conservative historically and stood at 0.1 times as on March 31, 2026 (ICRA estimates). The coverage metrics also remained at comfortable levels in FY2026 (ICRA estimates), as reflected by an interest coverage of around 6.9 times (3.1 times in FY2025) and total debt/OPBDITA of 1.4 times (2.8 times in FY2025). Nevertheless, ICRA expects some moderation in debt protection metrics over the medium term, on the back of a likely moderation in the Group's margins. The overall utilisation of the working capital limit also remains low on account of sizeable cash and bank balances maintained by the Group.

Stable demand from staple foodgrains market, strong distribution reach and established local brand – Stiff competition in the fragmented industry in which the Group operates restricts pricing flexibility and exerts pressure on margins. However, demand remains stable as its products form staple constituents of the daily diet. The Group has developed a strong marketing and distribution network in its catchment area. Procurement of raw materials, both from domestic and overseas (pulses and edible oil) markets, is undertaken centrally. As the companies cater to retailers, dealers and wholesale agents, customer concentration remains low, with no customer contributing more than 5-6% to the overall sales in each of the companies.

Credit challenges

Thin profit margins inherent to the industry – The Group operates in a commoditised and, hence, extremely elastic market, making it a price taker. The low value-added nature of its business, combined with the fragmented and unorganised market, results in low operating profit margins of 1-2%. However, the OPM improved to around 2.9% (ICRA estimates) in FY2026, driven by better realisations, though the same may not be sustainable going forward.

Government policy and agro-climatic conditions adversely impact operating performance – The Group deals in foodgrains and edible oil, which are essential constituents of the Indian diet and are regulated by the Government on a continuous basis. The products fall under the Essential Commodities Act, wherein parameters such as stocking and price levels are tightly controlled. The company's trading operations depend on imports owing to price arbitrage opportunities against domestic procurement. The Group is also exposed to challenges related to logistics and consequently, any adversity in the same could impact its business and profitability.

Exposure to commodity price cycles and currency movements – The Group's operations are exposed to commodity price cycles and currency movements. However, the management's extensive experience mitigates this risk to some extent.

Exposure to quality-related risks – As the Group is present in the food industry, its quality and reputation related risks are high, which could impact the Group's pricing strength and business.

Liquidity position: Strong

Poona Dal Group's liquidity is Strong, with minimal long-term debt repayment obligations, unutilised credit limits and healthy cash and cash equivalents (around Rs. 62.0 crore as on March 31, 2026, as per ICRA estimates) maintained by the Group. The Group's cash flow from operations became positive in FY2026 due to a decline in working capital requirements, as the Group's scale of operations witnessed moderation. The cash flow from operations is expected to remain positive in FY2027 as well. The Group utilised 20% of the credit limit on an average in FY2025 and 12% on an average in 9M FY2026, reflecting comfortable liquidity with sufficient buffer. The Group also does not have any other major capex plans in the near term.

Rating sensitivities

Positive factors – ICRA could upgrade the Group's ratings if its profitability improves significantly while maintaining steady revenue growth and a comfortable liquidity position on a sustained basis.

Negative factors – Pressure on the Group's ratings could arise if there is a sustained material decline in its revenues and profitability, along with a deterioration in its liquidity position. Specific credit metrics that could result in ratings downgrade include an interest coverage below 3.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has consolidated the financials of the two entities in the Poona Dal Group (details as mentioned in Annexure III), given the strong operational, financial and managerial linkages between these entities.

About the Group

Owned by Pune-based Mr. Sunil Parakh and his family, the Poona Dal Group comprises Poona Dal and Besan Mills Private Limited (PDBM) and Poona Dal and Oil Industries Limited (PDOIL). Mr. Parakh, along with his family members, holds a 100% equity stake in PDBM. PDOIL, which is listed on the BSE, is also majorly (70.38%) held by Mr. Parakh along with his family, while the remaining stake is held by other individuals and corporates. PDBM mainly processes pulses and gram flour, while PDOIL is involved in the processing of pulses and edible oil.

About the company

PDBM, the flagship company of the Poona Dal Group, was established by Mr. Deepchand Parakh and his brother, Mr. Jalamchand Parakh, in 1985. PDBM processes and trades in pulses, foodgrains and gram flour (besan and wheat). It has production units at Hadapsar and Shikrapur near Pune, Maharashtra. Along with PDOIL, PDBM has a widespread marketing network across Maharashtra, Karnataka and Goa.

Key financial indicators (audited)

Poona Dal and Besan Mills Private Limited	Consolidated (Group)		Standalone	
	FY2025	FY2026*	FY2025	FY2026*
Operating Income (Rs. crore)	632.7	554.2	485.9	413.5
PAT (Rs. crore)	5.5	-	3.4	-
OPBDIT/OI (%)	1.9%	-	2.2%	-
PAT/OI (%)	0.9%	-	0.7%	-
Total Outside Liabilities/Tangible Net Worth (times)	0.3	-	0.4	-
Total Debt/OPBDITA (times)	2.4	-	2.8	-
Interest Coverage (times)	3.1	-	2.7	-

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 Ratings (FY2027)			Chronology of Rating History for the past 3 years					
		Type	Amount Rated (Rs. crore)		FY2026		FY2025		FY2024	
				Jun 11, 2026	Date	Rating	Date	Rating	Date	Rating
1	Fund based – Cash credit	Long-term	50.00	**[ICRA]BBB+ (Stable)**	-	-	Mar 31, 2025	[ICRA]BBB+ (Stable)	Feb 28, 2024	[ICRA]BBB+ (Stable)
2	Non-fund based – Others	Short-term	90.00	**[ICRA]A2**	-	-	Mar 31, 2025	[ICRA]A2	Feb 28, 2024	[ICRA]A2
3	Fund based – Term loan	Long-term	2.86	**[ICRA]BBB+ (Stable)**	-	-	Mar 31, 2025	[ICRA]BBB+ (Stable)	Feb 28, 2024	[ICRA]BBB+ (Stable)

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 regulatory purview of various Financial Sector Regulators (FSR) 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 regulatory purview of various Financial Sector Regulators (FSR) 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 Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund based – Cash credit	Simple
Short-term – Non-fund based – Others	Simple
Long-term – Fund based – Term loan	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 II: Instrument details

ISIN	Instrument Name	Date of Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	**Long-term – Fund based – Cash credit**	NA	9.30%	NA	50.00	[ICRA]BBB+ (Stable)
NA	**Short-term – Non-fund based – Others**	NA	NA	NA	90.00	[ICRA]A2
NA	**Long-term – Fund based – Term loan**	FY2024	10.25%	FY20230	2.86	[ICRA]BBB+ (Stable)

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure III: List of entities considered for consolidated analysis

Instrument Name	Ownership	Consolidation Approach
Poona Dal and Oil Industries Limited	70.38%	Full consolidation

Source: Company

Corrigendum

Rationale dated June 11, 2026, has been corrected with revision as detailed below:

Change made in the 'Key financial indicators' on page no. 03.

Interest Cover for standalone financials of FY2025 is 2.7 times and not 6.6 times.

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