

Rating Rationale

06 October 2026

Jagat Agro

Brickwork Ratings reaffirmed the long-term rating at BWR BB-/Stable and reaffirmed the short-term rating at BWR A4 and simultaneously withdrawn the ratings for the Bank Loan Facilities of Rs. 25.00 Crs. of Jagat Agro.

Instrument s / Facilities**	Amount (Rs.Crs)		Tenure	Rating#		Regulator
	Previous	Present		Previous (23 July 2025)	Present	
Fund based	25.00	25.00	Long Term	BWR BB-/ Stable/ Upgrade/Remov al from INC Category	BWR BB-/Stable/ Reaffirmation/ Withdrawal	RBI
	0.92	0.00		BWR BB-/Stable/ Assignment	Withdrawal	RBI
	(10.50)	(10.50)	Short Term	BWR A4/ Assignment	BWR A4/ Reaffirmation/ Withdrawal	RBI
	(10.50)	(0.00)			Withdrawal	RBI
Total	25.92	25.00	(Rupees Twenty Five Crores Only)			

Note:

1. Please refer to BWR website www.brickworkratings.com for the definition of the ratings and for Withdrawal Policy-
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated

RATING ACTION / OUTLOOK / WITHDRAWAL

Brickwork Rating has reaffirmed the long-term rating at BWR BB-/Stable and reaffirmed the short-term rating at BWR A4 for bank loan facilities of Jagat Agro and simultaneously withdrawn the rating based on the withdrawal request by the company and NOC certificate from its lender.

UGECL limit of Rs.0.92 Crs has been fully repaid. The Bill Discounting (sub-limit)facility was not availed by the firm and, accordingly, the same has not been sanctioned under the latest sanction letter.

The company has requested the withdrawal of ratings by submitting NOC from its lenders and the latest operational and financial information required for the review of ratings. The rating reaffirmation is reflected by the extensive Experience of the promoters and Improvement in profitability margins. However, the ratings are constrained by the significant decline in revenue, high gearing, and vulnerability associated with vagaries due to monsoon & other agro-climatic risks, & high competition.

The outlook has been retained as stable, as BWR believes that the business risk profile of the firm will be maintained over the medium term. The Stable outlook indicates a low likelihood of a rating change over the medium term.

For assigning the rating, BWR has relied upon the last 3 years of audited financials till FY25, provisional for FY26, projected financials, and publicly available information, and clarification provided by management.

Withdrawal is in conformity with the BWR withdrawal policy, and relevant documents are held on record.

KEY COVENANTS OF THE INSTRUMENT / FACILITY RATED

The terms of sanction include standard covenants normally stipulated for bank loan facilities.

KEY RATING DRIVERS

Credit Strengths:

- **Experienced Management:**

The firm is owned and managed by Mr. Chetan Maheshwari. he has extensive experience in the agro-product processing business. Experienced proprietor with 20 years of experience in the current line of activity. His deep industry knowledge & extensive experience have contributed significantly to achieving high customer satisfaction, building strong relationships with suppliers, a satisfactory operational track record, and the firm's long-standing market presence.

- **Improvement in profitability margins:**

Despite the decline in revenue in FY26, EBITDA remained broadly stable at Rs.4.22 crore, resulting in improvement in operating margin to 3.20% in FY26 from 1.82% in FY25. PAT margin also improved to 1.89% from 1.13%.

Credit Risks:

- **Significant decline in operating scale:**

FY26 revenue declined sharply to Rs.131.86 crore from Rs.235.46 crore in FY25, reflecting lower business volume.

- **High Gearing:**

Total debt increased to Rs.45.69 crore in FY26 from Rs.33.90 crore, while Total Debt/TNW increased to 5.24x from 4.07x.

- Intense competition from large number of players.
- Vulnerability associated with vagaries due to monsoon & other agro-climatic risks.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA - Standalone

For arriving at its ratings, BWR has considered the standalone performance of Jagat Agro. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

RATING SENSITIVITIES

Rating sensitivities have not been captured as the rated instruments are being withdrawn.

LIQUIDITY INDICATORS - Stretched

The firm's liquidity position is considered Stretched, owing to 84.85% utilization of working capital limits, low Cash and Cash Equivalents of Rs. 1.43 Cr. in FY2026 & moderate debt protections metrics reflected DSCR stood at an adequate of 1.30 times in FY2026. Moreover, the firm has marked conversion cycle at high of 88 days in FY2026. The current ratio stood at 1.41 times in provisional FY2026.

COMPANY's / FIRM's PROFILE

Macro Economic Indicator	Sector	Industry	Basic Industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Agricultural Food & other Products	Other Agricultural Products

M/s. Jagat Agro is a proprietary concern of Mr. Chetan A. Maheshwari. The unit was engaged in the business of wholesale trading of grains and pulses up to 2001. From the financial year 2001-2002, the concern entered into the processing activity of Rice polishing in rented premises situated at Changodar. Simultaneously in October 2003, it purchased a shed at B & C-47, Ashwamegh Industrial Estate, Changodar, Tal. Sanand, Dist. Ahmedabad, and carried out addition/alteration in the existing premises to meet with its requirements. It also procured the required plant & machinery for processing of Rice.

ESG Profile

The firm demonstrates an evolving ESG profile based on its environmental, social, and governance practices.

Environmental:

The firm is engaged in rice processing, polishing and export activities. The key environmental aspects include water and energy consumption, generation and management of rice husk and other agro-waste, and emissions from processing operations. The company is expected to

ensure proper waste management and compliance with applicable environmental norms.

Social:

The firm provides employment opportunities and its operations involve processing and handling activities. Key social factors include employee health and safety, compliance with labour regulations, employee training and welfare, and maintenance of food safety and product quality standards.

Governance:

The firm's governance profile is assessed with respect to statutory and regulatory compliance, internal financial controls, management oversight, food-quality and safety compliance, and export-related regulatory requirements. Adequate systems for monitoring operational and compliance risks are important given the nature of its business.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	Units	FY 23 - 24 (A)	FY 24 - 25 (A)-	FY 25 - 26 (P)
Result Type		Audited	Audited	provisional
Operating Revenue	Rs.Crs.	127.60	235.46	131.86
EBITDA	Rs.Crs.	-8.00	4.29	4.22
PAT	Rs.Crs.	1.39	2.65	2.49
Tangible Net Worth	Rs.Crs.	6.63	8.33	8.72
Total Debt / Tangible Net Worth	Times	5.89	4.07	5.24
Current Ratio	Times	1.25	1.39	1.41
* A:Audited UA:Unaudited P:Provisional PROJ:Projected				
Note: These are latest available financial results. All ratios as per BWR's calculations; Amount in ₹ crore				

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY(IF ANY)

Care Rating has reaffirmed the rating at CARE B-/Stable/A4 under Issuer Not Cooperating Category on 16 Jan 2026 on account of non-receipt of the information.

ANY OTHER INFORMATION

Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS(including withdrawal and suspended)

Facilities	Current Rating (2026)			2025		2024		2023	
Type	Tenure	Amount (Rs.Crs.)	Rating	Date	Ratings	Date	Rating	Date	Rating
Fund Based	LT	25.00	BWR BB-/Stable/Reaffirmation/Withdrawal	23Jul2025	BWR BB-/Stable/Upgrade/Removal from INC Category	06Nov2024	BWR C Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	07Nov2023	BWR C Continues to be in ISSUER NOT COOPERATING* category/Dowgraded
Fund Based	LT	0.00	Withdrawal	23Jul2025	BWR BB-/Stable/Assignment				
FB Sub Limit	ST	(10.50)	BWR A4/Reaffirmation/Withdrawal	23Jul2025	BWR A4/Assignment				
FB Sub Limit	ST	(0.00)	Withdrawal	23Jul2025	BWR A4/Assignment				
Grand Total		25.00	(Rupees Twenty five crores only)						

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [BWR Withdrawal Policy](#)
- [Manufacturing Company](#)
- [Short-term debt](#)

Analytical Contacts	
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ANNEXURE I
[Jagat Agro]
Details of Bank Loan Facilities rated by BWR

Sl. No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)	Complexity of the instrument*
1	Union Bank of India	CC Limit-Sanctioned	25.00	-	25.00	Simple##
2	Union Bank of India	Union Guaranteed Emergency Credit Line [UGECL] -outstanding	0.00	-	0.00	Simple##
3	Union Bank of India	Export Packing Credit (EPC)-Sub-Limit	-	(10.50)	(10.50)	Simple##
4	Union Bank of India	Bill Discounting (BD) -Sublimit	-	(0.00)	(0.00)	Simple##
		TOTAL	25.00	(10.50)	25.00	
	Rupees Twenty five crores only					

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at [www.brickworkratings.com / download / ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf).

ANNEXURE II
INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

Instrument	Issue Date	Amount Rs. Crs.	Coupon Rate	Maturity Date	ISIN Particulars	Complexity of the instrument
Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE III
List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil

Annexure IV : List of instruments and names of regulators of the instruments

A.	Rating activities	
Sr. No.	Instrument / activity Name	Regulator of the instruments
1	Listed/Proposed to be listed bonds/debentures/preference share (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)* \$	RBI
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 and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, 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	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts \$	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	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.

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brickwork Ratings India Private Limited shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

\$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies *	NA

*permitted by SEBI vide SEBI Master Circular for CRAs

Grievance Management: For any grievances relating to rating of instruments regulated by SEBI, please contact sebigrievance@brickworkratings.com. Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available

For any grievances relating to rating of instruments regulated by other FSR (Financial Sector Regulators), please contact grievance@brickworkratings.com.

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BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committee or review, discuss or evaluate any credit rating during the Board meetings.

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Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI]. BWR is the 5th agency to get a credit rating registration in India in 2009 and its corporate office in Bengaluru. It has a country-wide presence with representatives in 150+ locations. Canara Bank is Brickwork's strategic partner.

Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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