Press Release

Amir Chand Jagdish Kumar Exports Limited

July 29, 2025

Ratings

Instrument Facility	Amount (Rs. Crore)	Current Ratings	Previous Rating	Rating Action	Complexity Indicator
Long term Bank Facilities	120.00	IVR A/Positive (IVR Single A with Positive Outlook)	IVR A/Stable (IVR Single A with Stable Outlook)	Rating Re-affirmed & Outlook revised from Stable to Positive	Simple
Short Term bank Facilities	795.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	Rating Re-affirmed	Simple
Total	**915.00**	**Rupees Nine Hundred and Fifteen Crores Only**			

Mr. Gauri Shankar who is a member of Rating Committee is also on the Board of Amir Chand Jagdish Kumar Exports Limited. However, Mr. Gauri Shankar did not participate in the entire rating exercise, including the rating decision and rating note has not been sent to him.

Details of Facilities/Instrument are in Annexure 1

Facility wise lender details are at Annexure 2

Detailed explanation of covenants is at Annexure 3

Detailed Rationale

Infomerics Valuation and Rating Limited (IVR) has re-affirmed the long-term rating to IVR A along with change in outlook from stable to Positive due to improved business performance in the domestic market and short-Term rating to IVR A1 for the bank loan facilities of Amir Chand Jagdish Kumar Exports Limited (ACJKEL).

The ratings continue to draw comfort from experienced promoters along with favourable demand for rice and location advantage with proximity to key rice growing belt of the country. The ratings further draw support from comfortable financial risk profile, improvement in scale of operations and improvement in profitability margins in FY25. However, these rating strengths are partially offset by intense competition in the industry along with susceptibility to agroclimatic risks and changes in Government regulations. The rating further remains constrained due seasonal nature of availability of paddy resulting in working capital intensive nature of operations.

The positive outlook reflects the expected improvement in the business performance & debt protection matrix of the company driven by filling of DRHP with the SEBI on June 2025. Further, the company will benefit from the extensive experience of the promoters in the steel industry.

Infomerics Ratings has principally relied on the standalone audited financial results of ACJKEL up to 31 March 2024 (refers to period April 1st, 2023, to March 31st, 2024), provisional financials for FY2025 (refers to period April 1st, 2024, to March 31st, 2025) - and projected financials till FY2028, publicly available information/ clarifications provided by the company's management.

Key Rating Sensitivities:

Upward Factors

- Substantial improvement in the scale of operations with TOI above Rs. 2100.00 crore and profitability.
- Improvement in financial risk profile and debt protection metrics.
- Effective working capital management with improvement in operating cycle and liquidity.

Downward Factors

- Significant reduction in the scale of operations and profitability.
- Deterioration in financial risk profile and debt protection metrics.
- Elongation in the operating cycle impacting the liquidity/ unplanned capex deteriorating the financial matrix.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced Promoters with Long Track Record in the Industry:**
  The company benefits from the industry experience of its promoters, particularly the Suri family, who have a longstanding presence in the rice industry. Mr. J. K. Suri, Chairman and Managing Director, brings over five decades of experience in the manufacturing, marketing, and trading of food grains. This deep industry knowledge has enabled the company to establish and maintain strong relationships with both customers and suppliers. The promoters' proven track record is expected to continue supporting the company's growth and operational stability going forward. Under their leadership, the company has achieved sustainable growth and booked a revenue of Rs. 1719.83 crore in FY25(P).

- **Growing Scale of Operations with Range-Bound but Improving Profitability:**
  The company continues to scale up its operations, with TOI increasing by 27.90%, from Rs. 1344.67 crore in FY24 to Rs. 1719.83 crore in FY25(P) primarily driven by a ~41.38% rise in Basmati rice sales volumes as well as increase the penetration in the domestic market. EBITDA increased from Rs. 99.28 crore to Rs. 131.43 crores, with margins improving and noted 8.02% in FY25(P). PAT grew significantly by ~71.66%, from Rs. 22.06 crore to Rs. 37.86 crore, with margins improving and noted 2.20% in FY25(P), supported by higher EBITDA and other operational income. GCA improved to Rs. 45.19 crores, and Total Debt/GCA improved to 14.98 years in FY25(P).

- **Strong Marketing Network and Strategic Location Advantage:**
  The company has a strong marketing and distribution network, with over 380 dealers and distributors across India and dedicated marketing executives in major metro cities like Delhi, Mumbai, Chennai, and Kolkata. It promotes its products through leading retail chains such as Reliance Fresh, Walmart, Metro Cash & Carry, and via e-commerce platforms like Amazon, Flipkart, and Paytm. Additionally, the company secures institutional sales through government

tenders. Its rice mills in Amritsar (Punjab) and Safidon (Haryana) offer locational advantages, ensuring raw material availability and lower logistics costs.

- **Established Brand – Aeroplane:**
  Aeroplane is the company's main brand and is well-recognized in both domestic and export markets. It is known for offering consistent quality Basmati rice, which has helped it build a steady customer base over time. The brand contributes a significant share to the company's overall sales and supports its presence in competitive markets.

- **Healthy Export Order Book Reflecting Strong Global Presence:**
  While the company has witnessed a declining trend in export revenue in recent periods, it currently holds an export order worth Rs. 810.69 crore for the supply of 1,16,296 MT of rice. Major destinations include Dammam (Saudi Arabia), Dubai (UAE), and Iraq. This sizeable order book reflects continued international demand and the company's established position in key export markets, offering strong revenue visibility despite recent fluctuations in export performance.

Key Rating Weaknesses

- **Working Capital Intensive Nature of Operations:**
  The company's operations remain working capital intensive, with a high operating cycle of 234 days in FY25(P), though improved from 257 days in FY24. This is primarily due to a deliberate ageing strategy, wherein rice inventory is held for at least six months to enhance quality, particularly for Basmati rice. Average inventory days stood at 199 in FY25(P), down from 208 in FY24. Average collection and creditor periods also declined to 47 days and 12 days, respectively, contributing to the extended working capital cycle.

- **Leveraged Capital Structure with Moderate Debt Protection Metrics:**
  The company's capital structure, though improved, remains leveraged. Adjusted tangible net worth rose by ~15.71%, from Rs. 294.42 crore in FY24 to Rs. 340.82 crore in FY25(P), supported by an increase in equity capital from Rs. 5.44 crore to Rs. 82.04 crore and

corresponding growth in the securities premium account. TOL/ATNW, though slightly better, remained high at 2.84x in FY25(P) as when compared to 2.99x in FY24. Overall gearing improved to 1.98x in FY25(P) from 2.40x in FY24. Debt Coverage indicators were moderate, with ISCR at 1.75x and DSCR at 1.56x in FY25(P).

- **Exposure to External Risks and Intense Competition:**

The company operates in a highly competitive rice industry, marked by numerous organized and unorganized players, low entry barriers, minimal technological requirements, and limited product differentiation—factors that restrict pricing power. Additionally, with a significant portion of revenue derived from exports, the company remains exposed to foreign exchange fluctuations. However, this risk is partially mitigated through the use of forward contracts and a Packing Credit in Foreign Currency (PCFC) account, which help manage currency volatility and protect margins in the export business.

Analytical Approach: Standalone

Applicable Criteria :

Rating Methodology for Manufacturing Sector entities
Financial Ratios & Interpretation Non- Financial Sector
Criteria for assigning rating outlook
Policy on Default Recognition
Complexity Level of Rated Instruments/Facilities

Liquidity – Adequate

The company has adequate liquidity as seen by gross cash accruals of Rs. 45.19 crore in FY25(P) as against repayment of long-term borrowings amounting to Rs. 0.46 crore. Further, the company is expected to generate cash accruals in the range of Rs. 63.28 crore – Rs. 133.81 crore as against its debt servicing obligation of ~Rs. 0.46 crore – Rs. 0.62 crore FY2026-2028. The overall working capital limits are utilized to the extent of 91.84% during the past 12 months ended May 2025 indicating high utilization. The current ratio reported by the firm is 1.26x in FY25(P). All these factors reflect adequate liquidity position of the group.

About the Company

Amir Chand Jagdish Kumar (Exports) Limited (ACJKEL) is a distinguished and long-established name in the Indian basmati rice industry. The company is one of the producers and

exporters in the country, the company has successfully combined traditional trade values with modern industrial advancements. With a strong infrastructure, skilled workforce, and international accreditations, ACJKEL is well-equipped to deliver top-quality rice at competitive prices.
The company operates extensively across key agricultural regions including Haryana, Punjab, Himachal Pradesh, Uttar Pradesh, and Madhya Pradesh for paddy procurement, storage, and processing. Its reach extends globally, supplying premium rice to esteemed buyers across six continents.

Financials (Standalone):

(Rs. crore)

For the year ended* As on	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	1344.67	1719.83
EBITDA	99.28	137.94
PAT	22.06	37.86
Total Debt	707.54	676.79
Tangible Net worth*	295.42	341.82
EBITDA Margin (%)	7.38	8.02
PAT Margin (%)	1.64	2.20
Overall Gearing Ratio (x)	2.40	1.98
ISCR (x)	1.53	1.75

as per Infomerics standards

Status of non-cooperation with previous CRA : Nil

Any other information: : Nil

Rating History for last three years:

Sl. No.	Name of Instrument/ Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 Dated: May 25, 2024	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23 Dated : March 27, 2023
1	Cash Credit	Long Term	120.00	IVR A/Positive (IVR Single A with Positive Outlook)	IVR A/Stable (IVR Single A with Stable Outlook)	-	IVR A-/ Stable (IVR A

Sl. No.	Name of Instrument/ Facilities	Current Rating (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 Dated: May 25, 2024	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23 Dated : March 27, 2023
							Minus with Stable outlook)
2	EPC/PCFC	Short Term	480.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	-	IVR A2+ (IVR A Two Plus)
3	SLC	Short Term	125.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	-	IVR A2+ (IVR A Two Plus)
4	FBP/FCBP	Short Term	100.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	-	IVR A2+ (IVR A Two Plus)
5	Bank Guarantee	Short Term	90.00	IVR A1 (IVR A One)	IVR A1 (IVR A One)	-	IVR A2+ (IVR A Two Plus)

Name and Contact Details of the Rating Analyst:

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About Infomerics:

Infomerics Valuation And Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Bank Facilities – Cash Credit			-	120.00	IVR A/Positive (IVR Single A with Positive Outlook)
Short Term Bank Facilities – EPC/PCFC			-	480.00	IVR A1 (IVR A One)
Short Term Bank Facilities – SLC				125.00	IVR A1 (IVR A One)
Short Term Bank Facilities – FBP/FCBP				100.00	IVR A1 (IVR A One)

Short Term Bank Facilities – Bank Guarantee				90.00	IVR A1 (IVR A One)

Annexure 2: Facility wise lender details:
https://www.infomerics.com/admin/prfiles/len-AmirChand-jul25.pdf

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com