



Press Release

Ganga Roller Flour Mills Private Limited
May 13, 2025

Ratings:

Sl. No.	Instrument/ Facility	Amount (Rs. Crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
1.	Long Term Bank Facilities	13.44	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	IVR BB+/Stable (IVR Double B Plus with Stable Outlook)	Rating Reaffirmed	Simple
2.	Short Term Bank Facilities	12.00	IVR A4+ (IVR A Four Plus)	IVR A4+ (IVR A Four Plus)	Rating Reaffirmed	Simple
	Total	25.44	[Rupees twenty-five crore forty-four lakhs only]			

Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2.
Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has reaffirmed the long-term rating of IVR BB+ with a Stable Outlook and the short-term rating of IVR A4+ for the bank facilities of Ganga Roller Flour Mills Private Limited.

The rating reaffirmation is on account of experienced management and reputed customer profile coupled with long standing relationships with them; the rating also factors in the growing scale of operations albeit thin profitability. However, these rating strengths are partially offset by moderate financial risk profile along with high group exposure via corporate guarantee to group entity. There also exists the agro climatic risk and high competition due to the Government regulations.

The 'stable' outlook reflects expected increase in scale of operations along with profitability. Infomerics believes the company will continue to benefit from its operational track record in the business resulting in increased scale of operations.



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Infomerics Ratings has principally relied on the standalone audited financial results of Ganga Roller Flour Mills Private Limited up to FY24 (refers to period April 1st, 2023, to March 31st, 2024) and projected financials for FY2025 (refers to period April 1st, 2024, to March 31st, 2025) - FY2027 (refers to period April 1st, 2026, to March 31st, 2027) and publicly available information/ clarifications provided by the company's management.

Key Rating Sensitivities:

Upward Factors

- Sustained growth in revenue along with improved improvement in profitability
- Sustained improvement in financial risk profile; wherein, the specific credit metric will be overall gearing remaining below 2 times on sustained basis.

Downward Factors

- Significant dip in revenue and profitability or deterioration in capital structure of the company.
- Any further exposure to the group company by way of corporate guarantee or loan.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Experienced management and long-standing relationships with the clients**

Ganga Roller Flour Mills Private Limited is promoted by Mr. Sunil Kumar Goyal, Mr. Rajender Kaushik, Mr. R. S. Jha, and Mr. Ashok Mishra, who collectively bring over two decades of experience in the wheat processing industry. Their extensive industry background has enabled the company to build strong and lasting relationships with both customers and suppliers, as well as effectively navigate through various industry cycles.

- **Reputed customer profile**

Ganga Roller Flour Mills Private Limited caters its products like atta, Maida, suji, bran etc. to established companies in the fast-moving consumer goods (FMCG) segment like Britannia Industries Limited, Mrs. Vectors Food Specialities Ltd. etc. reflecting good product quality.

- **Growing scale of operations albeit thin profitability**



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The total operating income (TOI) of the company has grown with a CAGR of 4.74% over last three financial years with TOI increasing from Rs 173.45 crore in FY22 to Rs 211.73 crores in FY23 to Rs 212.28 crores in FY24. Further, the company has reported TOI of Rs 154.75 crore in 9MFY25. The decline was due to the increase in the cost of wheat and due to long term contracts with the clients. The EBITDA margin of the company continues to remain thin at 1.67% in FY24 compared to 1.60% in FY23. Subsequently with decline in interest and finance cost, the PAT margin of the company has improved by 18 bps and continues to remain thin at 0.45% in FY24 compared to 0.27% in FY23.

Key Rating Weaknesses

- **Moderate financial risk profile**

The capital structure of the company marked by overall gearing at 1.47x as on March 31, 2024, decreased from 1.50x as on March 31, 2023, on account of schedule repayment of debt. Overall gearing including corporate guarantee stood at 18.87 times as on March 31, 2024, which was 19.04 times as on March 31, 2023. The total indebtedness of the company as reflected by TOL/ATNW stood leveraged at 2.27x as on March 31, 2024, improved from 2.73x as on March 31, 2023, due to decrease in TNW. TOL/ATNW (including corporate guarantee) stood at 21.02 as on 31/03/2024 improved from 26.68 in FY23. The interest coverage improved and stood at 2.83x in FY24 compared to 1.80x in FY23 on account of increase in profitability. Total debt to GCA improved and stood comfortable to 7.49x in FY24 decreased from 8.27x in FY23 on account of increased profitability. Adjusted Total debt to GCA (including corporate guarantee) stood at 96.21 in FY24 improved from 105.00 in FY23.

- **Industry susceptible to agro-climatic risks and Government policies in highly competitive industry due to fragmentation**

The company's primary raw material, wheat, is vulnerable to pest infestations and its availability is influenced by agro-climatic conditions, which can affect procurement to some extent. Additionally, being part of an agro-based industry, the company is exposed to risks such as changes in government policies, including revisions in the minimum support price (MSP) for agricultural produce and alterations in import/export regulations. The company's profit margins also remain sensitive to fluctuations in agro-product prices, which are impacted by both climatic variations and government interventions. The wheat milling industry faces



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intense competition owing to its fragmented structure, low product differentiation, and minimal entry barriers. These factors restrict the pricing power of players operating in the sector.

- **High group exposure in terms of corporate guarantee extended to group entity**

The company has high exposure tune to Rs. 176.15 crore as on March 31, 2024, in the form of corporate guarantee given to its group entity Ganges Internationale Private Limited. The guarantee remains large, and company remains exposed to any kind of financial risk if support to group company is required.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies.](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)

[Criteria for assigning Rating outlook.](#)

[Policy on Default Recognition](#)

[Complexity Level of Rated Instruments/Facilities](#)

Liquidity – Adequate

The liquidity position of the company is adequate, marked by its sufficient cash accruals as against its repayment obligations. The company's average fund based working capital limit utilization stood adequate at 75.04% for the last 12 months ended Feb 2025 indicating adequate buffer in its working capital limits. Further, the company had free cash and cash equivalents to the tune of Rs.1.32 crore as on March 31, 2024, which is expected to support the liquidity profile of the company in the near to medium term. The current ratio of the company stood moderate at 1.50x as on March 31, 2024. Further, the company expects sufficient cushion in cash accruals against its debt repayments. The company is expecting GCA in the range of Rs. 1.99 Cr. - Rs. 2.08 Cr. during FY25-27 against debt repayment of Rs. 0.59 crore – 0.24 crore during FY25-27.

About the Company

Ganga Roller Flour Mills Pvt Ltd. was established in 1974 and is engaged in milling and production of wheat products like Atta, Maida, Bran and others. The company has one



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manufacturing unit at Lawrence Road Industrial area, New Delhi with a installed capacity of 108,000 tons per annum. The company's operations are managed by Mr. Sunil Goyal.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	211.73	212.28
EBITDA	3.39	3.55
PAT	0.58	0.96
Total Debt	15.41	14.92
Adjusted Tangible Net Worth	7.52	9.42
EBITDA Margin (%)	1.60	1.67
PAT Margin (%)	0.27	0.45
Overall Gearing Ratio (x)	2.05	1.58
Interest Coverage (x)	1.80	2.83

* Classification as per Infomerics Standard

Status of non-cooperation with previous CRA: None

Any other information: Not Applicable

Rating History for last three years:

S. No	Name of Instrument /Facilities	Type	Current Rating (Year 2025-26)		Rating History for past 3 years		
			Amount outstanding (Rs. Crore)	Ratings	Date(s) & Rating(s) assigned in 2024-25 (Mar 13, 2024)	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22
1.	Long Term Bank Facilities	Long Term	13.44	IVR BB+/Stable	IVR BB+/Stable	-	-
2.	Short Term Bank Facilities	Short Term	12.00	IVR A4+	IVR A4+	-	-

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About Infomerics:



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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.

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Annexure 1: Details of Facilities

Name of Facility	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan I	-	-	-	Aug 2025	0.05	IVR BB+/Stable
Term Loan II	-	-	-	Feb 2027	0.14	IVR BB+/Stable
Term Loan III	-	-	-	April 2030	1.25*	IVR BB+/Stable
Cash Credit	-	-	-	-	12.00	IVR BB+/Stable
BG	-	-	-	-	2.00	IVR A4+
Bill Discounting	-	-	-	-	10.00	IVR A4+

**Rs. 0.08 crore is disbursed and balance of Rs. 1.17 crore remains undisbursed.*

Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-gangaroller-may25.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.