



Press Release

Panchaganga Seeds Private Limited

June 27, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Long Term Bank Facilities	49.00	IVR BBB/Stable (IVR Triple B with Stable Outlook)	IVR BBB/Stable (IVR Triple B with Stable Outlook)	Rating Reaffirmed	Simple
Total	49.00	(Rupees Forty-Nine Crore only)			

Details of Facilities/Instruments 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 its rating assigned to the bank facilities of Panchaganga Seeds Private Limited (PSPL). The ratings derive comfort from extensive experience of promoter and management team, established track record in seeds business, research and development facilities, comfortable financial risk profile and comfortable debt protection metrics. However, these rating strengths remain constrained by moderate scale of operations and operations exposed to intense competition and susceptibility to climatic conditions.

The outlook is stable due to extensive experience of promoters in the seeds business and strong customer base.

Key Rating Sensitivities:

Upward Factors

- Significant increase in scale of operations or sustained improvement in operating margins
- Improvement in operational cash flow generation

Downward Factors

- Lower-than-expected cash accrual due to decline in revenue or operating margins
- Support to group companies which would result in impacting financial profile

List of Key Rating Drivers with Detailed Description



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Key Rating Strengths

Experienced promoters and management team

The Panchaganga group is an established industrial house promoted by Mr. Prabhakar Uttamrao Shinde who has more than two decades of experience in the seed business. The directors of the company are Mr. Vivek Balasaheb Shinde, Mr. Babasaheb Uttamrao Shinde and Mr. Balasaheb Uttamrao Shinde. All the directors of the company are qualified in agriculture and have work experience in the field of agriculture.

Established track record in seeds business

PSPL started plant breeding and research in onions and succeeded in developing seed varieties for every segment across the country. As years passed by, it has established as leading onion seed brand in the country which supplies more than 30% of the total seed volume supplied by the organized sector. Apart from onion seeds the company has other products viz seeds of Maize, Tur, Soyabean, Chillis, Brinjal, Tomato, Okra, Gourds, Paddy, Bajra, and Bt Hybrid Cotton.

Research and Development facilities

As far as Plant Breeding research is concerned, PSPL organizes research activities at nearly 2200 acres of research farms. The company has a dedicated, qualified, and trained team of 70 research staff around the year conducting research activities and maintaining released products. Considering the research activities, investment in it and commercial achievements, the Department of Science & Industrial Research, Ministry of Science & Technology, Government of India, New Delhi honoured recognition to the R&D Unit of Panchaganga Seeds. The company's technocrats continuously conduct research for anticipated problems of cultivation in the future.

Comfortable financial risk profile

TOL/TNW has increased from 0.56x as on March 31, 2023, to 1.44x as on March 31, 2024, but it declined to 0.99x as on March 31, 2025 (Provisional) as total debt stood at Rs. 43.11 crore as on March 31, 2025 (Provisional). The tangible networth of the company has increased from Rs. 84.19 crore as on March 31, 2023, to Rs. 98.14 crore as on March 31, 2024, and it



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further increased substantially to Rs. 130.22 crore as on March 31, 2025 (Provisional) due to increase in surplus profit & loss account.

Comfortable debt protection metrics

Interest coverage and DSCR of the company stood at 9.96x and 8.21x respectively as on March 31, 2024, and it further increased to 11.71x and 11.77x respectively as on March 31, 2025, provisional.

Key Rating Weaknesses

Moderate scale of operations

The company has been incorporated in 2003, and TOI increased to Rs. 334.62 crore in FY25 Provisional (refers to the period from April 01, 2024, to March 31, 2025) from Rs. 177.17 crore in FY24 (refers to the period from April 01, 2023, to March 31, 2024) however the scale of operations remained moderate.

Operations exposed to intense competition and susceptibility to climatic conditions

The domestic hybrid vegetable seed market remains intensely competitive with the presence of MNCs and local players, though PSPL is among the leading players in the vegetable seed segment. Intense competition limits bargaining power with farmers and distributors, and ability to cope with cyclical demand. Furthermore, turnover and operating margin are affected by external factors such as monsoon, soil conditions, and crop diseases. Also, government regulations and import/export restrictions impact on prices.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Manufacturing Companies](#)

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

[Criteria on assigning rating outlook](#)

[Policy on Default Recognition](#)

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



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Liquidity – Adequate

PSPL has an adequate liquidity profile. The unencumbered cash and cash equivalents were at Rs. 10.65 crore as on March 31, 2025 (Provisional). There is no term liability in the business, but the company has adequate cash accruals to pay its debt liabilities. Current ratio and DSCR as on March 31, 2025 (provisional) is 1.35x and 11.77 respectively.

About the Company

Panchaganga Seeds Private Limited (PSPL) was incorporated on April 21, 2003, as a private limited company engaged in procuring, producing, and selling of hybrid/open pollinated seeds of various vegetables and crops includes onion, brinjal, chillies, maize, bajra, cucumber, sponge guard, tur, soyabean, paddy, etc.

The company was promoted by Mr. Prabhakar Uttamrao Shinde who has more than two decades of the experience in the field of agriculture. The company has processing and inhouse R&D unit located in Aurangabad – Maharashtra. PSPL has a significant share in India's onion seeds production apart from other vegetables.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	177.17	334.62
EBITDA	23.26	38.27
PAT	13.95	32.09
Total Debt	29.30	43.11
Tangible Net Worth [#]	78.64	110.72
EBITDA Margin (%)	13.14	11.44
PAT Margin (%)	7.85	9.58
Overall Gearing Ratio (x) [#]	0.37	0.39
Interest Coverage (x)	9.96	11.71

* Classification as per Infomerics' standards.

[#]Based on adjusted tangible network

Status of non-cooperation with previous CRA: Nil

Any other information: Nil

Rating History for last three years:



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Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (April 01, 2024)	Date (Month XX, 20XX)	Date (Month XX, 20XX)
2.	Long Term Fund Based Bank Facilities	Long Term	49.00	IVR BBB/ Stable	IVR BBB/ Stable	-	-

Analytical Contacts:

Name: Jyotsna Gadgil

Tel: (020) 69015332

Email: jyotsna.gadgil@infomerics.com

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 and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility/ Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	-	49.00	IVR BBB/Stable

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/len-Panchaganga-Seeds-june25.pdf>

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

Annexure 4: List of companies considered for consolidated/Combined 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.