

## Sustainable Agro Commercial Finance Limited

August 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	333.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non-convertible debentures	70.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

\*Issuer did not cooperate; based on best available information.

### Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings), vide its press release dated May 29, 2024, had placed rating(s) of Sustainable Agro Commercial Finance Limited (SAFL) under the 'issuer non-cooperating' category, as it failed to provide information for monitoring rating for the rating exercise as agreed to in its Rating Agreement. SACFL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 24, 2025, April 28, 2025, and May 05, 2025. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating based on best available information, which in CareEdge Ratings' opinion is not sufficient to arrive at a fair rating.

CareEdge Ratings reaffirms the rating of facilities/Instruments of SAFL at CARE D; ISSUER NOT COOPERATING\*.

**Users of this rating (including investors, lenders and public at large) are hence requested to exercise caution while using above rating(s).**

Ratings consider SACFL's ongoing default in repaying its borrowings from banks and financial institutions. As of March 31, 2024, the total outstanding amount stands at ₹9.05 crore. The company has responded to a recall notice received from one of the lenders, and no legal proceedings have been initiated against it to date.

**Analytical approach:** Standalone

**Outlook:** Not applicable

### Detailed description of key rating drivers:

At the time of last rating on May 29, 2024, following were rating strengths and weaknesses (updated for the information available from company's website (FY24 annual report)).

### Key weaknesses

#### Weak Financial Profile:

Portfolio outstanding as on March 31, 2024, was ₹83.86 crore (PY: ₹193.09 crore). The company's total income improved to ₹8.85 crore in FY23 (PY: ₹4.06 crore), which increase in interest income. Return on total assets (ROTA) and return on net worth (RONW) improved from FY23 to FY24, primarily due to higher profit after taxes (PAT). In FY24, the company reported PAT of ₹1.17 crore against net loss of ₹56 crore in FY23 due to provision reversal.

**Liquidity:** Not applicable

### Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Financial Ratios - Financial Sector](#)

[Non Banking Financial Companies](#)

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

SAFL is an NBFC promoted by Jain Irrigation Systems Limited (JISL), Jalgaon with IFC Washington as an anchor investor in 2012. SAFL obtained RBI approval on July 05, 2012. In March 2015, Mandala Capital Limited (an agri-focused private equity fund) invested in SAFL to the extent of 20% of the total equity holding of ₹120 crore, while JISL holds 49.00%, individuals of the promoter group holding 21.00%, and IFC – a member of the World Bank Group, holds 10.00% equity share capital. SAFL is engaged solely and exclusively in financing agriculture and allied activities. SAFL is a non-deposit taking NBFC.

SAFL focuses on providing agri-loans with a wide and diverse range of financing options for agricultural activities. The main product is micro irrigation system financing, being the captive financing arm of JISL. It also finances other products including pipes, and pumps for lift irrigation among others.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total operating income	4.06	8.85	NA
PAT	-56.02	1.17	NA
Interest coverage (times)	-2.65	1.06	NA
Total Assets	238.12	136.31	NA
Net NPA (%)	0.00	0.00	NA
ROTA (%)	-20.00	0.62	NA

A: Audited UA: Unaudited, Note: these are latest available financial results

### Status of non-cooperation with previous CRA:

Per its PR dated July 06, 2020, India Ratings has placed SAFL in the Issuer Not Cooperating category as the company did not provide relevant information for carrying out review and the rating was withdrawn per the latest PR published on July 16, 2024.

Per its PR dated September 15, 2021, Infomerics Ratings has placed SAFL in the Issuer Not Cooperating category considering NDS pendency from July 2021 onwards and non-cooperation is continuing per the latest PR published on October 15, 2024.

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument / facility:** Annexure-3

**Complexity level of instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non Convertible Debentures	NA	NA	NA	NA	70.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	NA	NA	NA	NA	333.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information.

\*NA: Not available since these instruments/facilities are in proposed stage

**Annexure-2: Rating history for last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan (Proposed)	LT	333.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-May-24)	1)CARE D; ISSUER NOT COOPERATING* (31-May-23)	1)CARE D; ISSUER NOT COOPERATING* (30-May-22)
2	Debentures-Non Convertible Debentures (Proposed)	LT	70.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (29-May-24)	1)CARE D; ISSUER NOT COOPERATING* (31-May-23)	1)CARE D; ISSUER NOT COOPERATING* (30-May-22)

\*Issuer did not cooperate; based on best available information.

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities-** Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Fund-based - LT-Term Loan	Simple

**Annexure-5: Lender details**

To view lender-wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for clarifications.

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