

Sri Venkateswara Biotech Private Limited

September 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	138.00	CARE BB-; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating assigned to the bank facilities of Sri Venkateswara Biotech Private Limited) takes into account inherent execution risk associated with implementation of 600TPD (maize crushing capacity) starch and allied products plant which is in nascent stage. Commercial production is expected to commence from Q4FY27, stabilization of operations and company's ability to generate envisaged revenue and profits will remain a key monitorable. The rating is constrained by volatile raw material prices, inherent agro-climatic risks and intense competition in the industry which can impart pressure on company's profitability margins.

The rating however derives strength from resourceful promoters with extensive experience in agro based industries, financial tie-up for the project in place, projected benefits derived from other associate entities across the value chain and stable industry growth prospects.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Advance stage of project completion, without any significant cost overrun

Negative factors

- Delay in commencement of operations resulting in significant decline in projected accruals.
- Inability of the promoters to infuse funds in a timely manner resulting in stretch in operational or financial parameters.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings believes SVBPL will benefit from long-standing experience of its promoters in the industry.

Detailed description of key rating drivers:

Key weaknesses

Project execution risk

SVBPL is setting up a starch and allied products unit in Andhra Pradesh, currently under construction. Total project cost is Rs. 167.19 Cr. The project is in the initial phase and project progress is only about 18%, with land acquisition and preliminary site work completed, but civil construction and machinery installation yet to begin, exposing it to execution delays.

Stabilisation risk

As operations are yet to commence, the company remains exposed to risks related to plant commissioning, process optimization, and achieving targeted capacity utilization.

Volatility in raw material prices

Maize, the primary raw material, is subject to seasonal availability and price fluctuations, which may impact production costs and margins.

Intense competition in the starch industry

The starch industry is fragmented with several established players, leading to pricing pressure and limited scope for product differentiation.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Key strengths

Extensive experience of promoters in agro based industries

The promoters of Sri Venkateswara Biotech Pvt Ltd have long-standing experience in agro-based industries, including rice milling, poultry, and paper manufacturing. Their diversified business background reflects familiarity with operational and regulatory aspects of the sector.

Resourceful promoters

The promoters plan to infuse ₹35 crore in equity and ₹34.19 crore in unsecured loans toward the project, indicating financial commitment. They have also secured term loan tie-ups with three banks, reflecting their ability to mobilize institutional funding. The group's diversified business interests and existing operational infrastructure further support their capacity to manage large-scale investments.

Liquidity: Stretched

Liquidity profile of the company is stretched in absence of any cash flows being a project stage entity. Company has availed term debt of Rs. 98.00 crore from consortium of banks and repayment is scheduled to begin from July 2027. However, promoters are resourceful and have infused funds in the form of equity and unsecured loans which supports liquidity to some extent.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Project stage companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Fast Moving Consumer Goods	Fast Moving Consumer Goods	Agricultural Food & other Products	Other Agricultural Products

Sri Venkateswara Biotech Private Limited (SVBPL), incorporated on March 1, 2023, is a private company located in Andhra Pradesh, engaged in the manufacture of starch and allied products through wet milling of maize. The company is promoted by a group of experienced individuals including Mrs. Bhanumathi Pasala, Mr. Narayana Rimmalapudi, Mr. Kasi Viswanadham Vantipalli, Mr. Ramesh Vantipalli, Mr. Venkata Kiran Vantipalli and others. The facility, of 600 TPD maize crushing capacity, is designed to produce starch, gluten, germ, fibre, and cattle feed.

Brief financials

Not applicable as the company is in project stage.

Status of non-cooperation with previous CRA: Not applicable

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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	-	40.00	CARE BB-; Stable
Fund-based - LT-Term Loan	-	-	-	June 2035	98.00	CARE BB-; Stable

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	LT	98.00	CARE BB-; Stable				
2	Fund-based - LT-Cash Credit	LT	40.00	CARE BB-; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short 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	Fund-based - LT-Cash Credit	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: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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