

Satguru Agro Industries Limited

October 03, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE B-; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1

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

Rationale & Key Rating Drivers

CARE Ratings Ltd (CareEdge Ratings) has Reaffirmed and simultaneously withdrawn the outstanding rating of 'CARE B-; ISSUER NOT COOPERATING' (Single B minus; Issuer Not Cooperating) assigned to the bank facilities of Satguru Agro Industries Limited (SAI) with immediate effect. The above action has been taken at the request of SAI along with No Objection Certificate from the bank that has extended the facilities rated by CARE.

The ratings assigned to the bank facilities of Satguru Agro Industries Limited (SAI) remain constrained on account of modest scale of operations with thin profitability margin, leverage capital structure and weak debt coverage indicators. Further, the rating also remained constrained on account of working capital-intensive nature of operations, concentrated geographical and customer base and exposure to intense competition in the highly fragmented soya market. The ratings, however, favourably factor in extensive industry experience of the promoters.

Analytical Approach: Standalone

Outlook: Not applicable

Detailed description of the key rating drivers:

At the time of last rating on May 08, 2025 the following were the rating weakness and rating strengths (updated based information shared by the company).

Key weaknesses

Modest scale of operations with thin profitability margin

SAI's scale of operation decreased marginally owing to subdued market condition and continued to remain modest marked by income from operation of Rs. 290.71 crores during FY24 compared to Rs. 304.51 crores during FY23. Despite the dip, SAI profitability improved marginally but continues to remain thin owing to its low value-added nature of operations marked by PBILDT margin of 2.53% during 2024 (P.Y.: 1.50%). Further, PAT margin also remained at 0.31% during FY24 compared to 0.06% in the previous year.

Leverage capital structure and weak debt coverage indicators

SAI's capital structure deteriorated as a result of an increase overall debt vis-a- vis low networth base and remained leveraged as marked by overall gearing at 4.30x as on March, 31, 2024 (3.70x as on March 31, 2023). Further, owing to low profitability with high leverage position, debt coverage indicators remained weak marked by interest coverage of 1.41x during FY24 compared to 1.50x during FY23 and high TD/GCA at 20.48 years as on March 31, 2024 (P.Y. 26.16 years).

Working Capital intensive nature of operations

SAI's operations continue to remain working capital intensive marked by an elongated operating cycle and full utilization of its working capital limits. Company's operating cycle elongated to 46 days for FY24 compared to 32 days in the previous year on the back of an increase in inventory holding which itself elongated to 55 days in FY24 compared to 45 days in the previous year.

Concentrated geographical and customer base

The total operating income of SAI is generally concentrated in three states namely, Tamil Nadu, Karnataka and Maharashtra.

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

Exposure to intense competition in the highly fragmented soya market

SAI operates in an industry which comprises of several players in the unorganized sector and is characterized by high degree of fragmentation due to low entry barriers and low level of product differentiation

Key Rating Strengths
Extensive industry experience of the promoters

SAI's promoters have a wide experience of over 25 years and has established itself as a well-known player in the soya industry.

Applicable criteria

[Policy on Withdrawal of ratings](#)

[CARE Ratings' criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Rating Methodology - Manufacturing Companies](#)

About the company

SAI was incorporated in November 1991 at Solapur, Maharashtra which was promoted by Khaitan family. During 2004, SGAIL was acquired by current management which includes- Mr. Praffulbhai G. Kalavadia, Mr Dinesh Kumar M. Kalavadia, Mr. Bharatbhai V. Changela, Mr. Paresh Kiran Parmar, Mr. Kantilal Naranbhai Padodar and Mr. Ashwin Kumar Dayabhai Zalawadi. SGAIL is engaged in the crushing and processing of soyabean seed for extraction of soya de-oiled-cake (DOC), soya wash oil and soya refinery.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	304.51	290.71
PBILDT	4.56	7.34
PAT	0.18	0.90
Overall gearing (times)	3.70	4.30
Interest coverage (times)	1.50	1.41

A: Audited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of various 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
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Fund-based - LT-Term Loan		-	-	March 2018	0.00	Withdrawn
Fund-based - LT-Working Capital Demand loan		-	-	-	0.00	Withdrawn

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-Working Capital Demand loan	LT	-	-	1)CARE B-; ISSUER NOT COOPERATING * (08-May-25) 2) CARE B-; ISSUER NOT COOPERATING *(03-Oct-25)	1)CARE B-; ISSUER NOT COOPERATING * (02-May-24)	-	1)CARE B-; ISSUER NOT COOPERATING * (01-Mar-23)
2	Fund-based - LT-Cash Credit	LT	-	-	1)CARE B-; ISSUER NOT COOPERATING * (08-May-25) 2) CARE B-; ISSUER NOT COOPERATING *(03-Oct-25)	1)CARE B-; ISSUER NOT COOPERATING * (02-May-24)	-	1)CARE B-; ISSUER NOT COOPERATING * (01-Mar-23)
3	Fund-based - LT-Term Loan	LT	-	-	1)CARE B-; ISSUER NOT COOPERATING * (08-May-25) 2) CARE B-; ISSUER NOT COOPERATING *(03-Oct-25)	1)CARE B-; ISSUER NOT COOPERATING * (02-May-24)	-	1)CARE B-; ISSUER NOT COOPERATING * (01-Mar-23)

*Issuer did not cooperate; based on best available information.
LT: Long term

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

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based - LT-Working Capital Demand 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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