CareEdge RATINGS

Shri Satguru Agromills Private Limited

October 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	47.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	15.00	CARE A4; ISSUER NOT COOPERATING*	Rating moved to 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) has been seeking information from Shri Satguru Agromills Private Limited (SSAPL) to monitor the rating vide e-mail communications dated July 14, 2025, August 11, 2025, August 26, 2025, September 03, 2025, September 05, 2025 and September 11, 2025 among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited (CareEdge Ratings)'s opinion is not sufficient to arrive at a fair rating. The ratings on SSAPL's bank facilities will now be denoted as '**CARE BB-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING.**

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

The ratings assigned to the bank facilities of Shri Satguru Agromills Private Limited (SSAPL) have been revised on account of non-availability of requisite information. The ratings remained constrained on account of its nascent stage of operations and presence in a highly fragmented and regulated rice industry with linkages to vagaries of the monsoon. The ratings, however, derives strength experienced promoter in the agri-commodity business and proximity to paddy cultivation region.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on August 21, 2024 the following were the rating strengths and weaknesses.

Key Weaknesses
Nascent stage of operations
During March 2024, SSAPL completed the greenfield project for setting up a basmati rice processing mill having an installed capacity of 16 metric ton per hour. The operations commenced from March 26, 2024, reflecting limited track record. Company reported TOI of ₹1.82 crore in FY24 and ₹12.08 crore during Q1FY25. The total cost of project was ₹41.37 crore which was funded from the debt to equity (D:E) mix of 1.90 times.

Presence in a highly fragmented and regulated rice industry with linkages to vagaries of the monsoon
SSAPL generates its revenue from processing of rice and hence remained exposed to inherent risks associated with agro-climatic conditions and seasonality associated with the availability of the agri commodity. SSAPL has small presence in the overall agro processing industry which is dominated by the few large players and large nos. of mid-sized entities resulting in the competitive industry landscape. High level of fragmentation also restricts the pricing power. The raw material (paddy) prices are regulated by government to safeguard the interest of farmers with minimum support price (MSP), which in turn limits the bargaining power of the rice millers. Given the market determined prices for finished product visà-vis fixed cost for raw material, the profitability margins of rice millers are vulnerable, especially in times of high paddy cultivation.

Key Strengths
Experienced promoter in the agri-commodity businsess
SSAPL's is promoted by Mr. Swanil Sahu, Ms. Jasmeet Kaur Malhotra, Mr. Rasmeet Singh Malhotra, Mr. Rahul Agarwal and Mr. Rohit Agarwal. Promoter possesses healthy experience in agri-commodity industry including rice milling. Mr. Swanil Sahu is also

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

Director of Mahadeo Dall Mil, which is engaged in the milling of Gram Chana, Moong and Tuhar Dal. Mr. Rahul Agarwal and Mr.Rohit Agarwal are associated with Manglam Food Products as Directors which is engaged in milling of Gram Chana and Moong Mogar. Due to the long presence of directors in agro-processing business, they have developed good relationship with its customers and suppliers.

Proximity to paddy cultivation region
SSAPL's processing facility is located in proximity to paddy cultivating region of Hoshangabad (Madhya Pradesh) and procures majority of its paddy requirement from the surrounding region thus lowering the transportation cost. It also procures paddy from other neighbour states like Bihar, Andhra Pradesh and Gujarat. SSAPL also benefits from the favourable government policy wherein it is expected to receive 80% of capital cost of project as capital subsidy in 7 years starting from FY25.

Applicable Criteria
CARE Ratings' criteria on information adequacy risk and issuer non-cooperation
Policy on default recognition
Rating Outlook and Credit Watch
Financial Ratios – Non financial Sector
Manufacturing Companies
Short Term Instruments

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

Hoshangabad (Madhya Pradesh) based SSAPL was incorporated in September 2022, by Mr. Swanil Sahu, Ms. Jasmeet Kaur Malhotra, Mr. Rasmeet Singh Malhotra, Mr. Rahul Agarwal and Mr. Rohit Agarwal. During March 2024, company has completed greenfield project for setting up basmati rice processing mill with an installed capacity of 16 metric ton per hour. Commercial production began from March 26, 2024.

Brief Financials (₹ crore)	March 31, 2024 (A)	Q1FY25 (Prov.)
Total operating income	1.82	12.08
PBILDT	0.20	NA
PAT	-0.65	NA
Overall gearing (times)	1.95	NA
Interest coverage (times)	1.88	NA

A: Audited; Prov.: Provisional; NA: Not Available; Note: these are latest available financial results

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 (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		-	-	-	22.00	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Proposed fund based limits		-	-	-	0.26	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31/12/2032	24.74	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-Working Capital Limits		-	-	-	15.00	CARE A4; ISSUER NOT COOPERATING*

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

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-Cash Credit	LT	22.00	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (21-Aug-24)	-	-
2	Fund-based - ST-Working Capital Limits	ST	15.00	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4 (21-Aug-24)	-	-
3	Fund-based - LT-Term Loan	LT	24.74	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (21-Aug-24)	-	-
4	Fund-based - LT-Proposed fund based limits	LT	0.26	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (21-Aug-24)	-	-

*Issuer did not cooperate; based on best available information.
LT: Long term; ST: 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-Proposed fund based limits	Simple
3	Fund-based - LT-Term Loan	Simple
4	Fund-based - ST-Working Capital Limits	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.

Contact us

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About us:

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