

Shraddha Impex

October 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.12	CARE B; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B+; Stable and moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	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 Shraddha Impex (SDI) to monitor the ratings vide e-mail communications/ letter dated July 29, 2025, August 19, 2025, September 10, 2025, September 30, 2025, and numerous phone calls. However, despite repeated requests, the company has not provided the requisite information for monitoring the ratings. It has also not submitted No default statement (NDS) for the last 3 months ended September 2025. In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the ratings on the basis of the best available information which however, is not sufficient to arrive at a fair rating. The ratings on SDI's bank facilities will now be denoted as CARE B; Stable/ 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)

Ratings have been revised on account of non-availability of the requisite information to conduct the review and non-submission of past 3 months' NDS. Ratings assigned to bank facilities of SDI continues to remain constrained on account of moderate scale of operations and profitability, moderate capital structure and debt coverage indicators during FY24 (provisional, FY refers to period April 01 to March 31) and vulnerability of margins to fluctuation in prices of agro commodities and foreign exchange. The rating is further constrained on account of stretched liquidity and partnership nature of constitution. The ratings, however, derives strength from experience of partners in trading business.

Analytical approach: Standalone

Outlook: Stable

CareEdge Ratings believe that firm will sustain its overall financial risk profile and continue to benefit from experience of promoters in trading business.

Detailed description of key rating drivers:

At the time of last rating on September 23, 2024, the following were the rating strengths and weaknesses considered

Key weaknesses

Moderate scale of operations and profitability

The scale of operations marked by TOI moderated at Rs.14.54 crore in FY24 as against Rs.18.34 crore in FY23 mainly on account of continued ban on sugar exports. SDI has reported TOI of ~Rs.6 crores in 5MFY25 through sale of imported metal scrap and plastic scrap. The profitability improved marked by PBILDT margin at 9.56% in FY24 as against 5.23% on account of decrease in material cost. Consequently, PAT margin improved and remained at 4.01% in FY24 as against 1% in FY23.

Moderate capital structure and debt coverage indicators

Capital structure of SDI improved marked by overall gearing of 0.95 times as on March 31, 2024, as against 2.37 times as on March 31, 2023, owing to lower debt outstanding as on balance sheet date. Debt coverage indicators improved although remained weak marked by TDGCA of 7.14 times during FY24 as against 50.52 times in FY23 due to increased GCA and reduced debt levels. Interest coverage ratio remained moderate at 2.39 times during FY24 as against 1.30 times during FY23.

Vulnerability of margins to fluctuation in prices of agro-commodities and foreign exchange

The prices of agricultural commodities are volatile in nature and are linked to production in domestic market and global demand-supply situation. The prices of agro commodities are also affected by the changes in government regulations and vagaries of weather. In FY23, the government of India imposed a ban in sugar exports which adversely impacted the operations of SDI as

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

the firm only caters to the overseas market. In FY24, government remains consistent with ban on sugar exports to boost local supplies. SDI is exposed to risk arising out of fluctuations in foreign exchange rates however it is mitigated through active hedging policy. During FY24, SDI has forex loss of Rs.0.55 crore as against profit of Rs.0.39 crore in FY23.

Partnership nature of constitution

Being a partnership firm, SDI is exposed to inherent risk of partners' capital being withdrawn at time of personal contingency, and firm being dissolved upon the death/retirement/insolvency of partners which may affect financial flexibility of the firm.

Key strengths

Experienced partners

Mr. Govind Singh Baghel and Mrs. Asha Singh Baghel, partners of the firm have an experience of more than 15 years in trading of agro commodities through this firm. They look after overall management of the firm. In addition to his agro trading business, Mr. Singh has been operating Alpine Public School in Indore since 1998. He is also a partner in Sai Steel, a partnership firm that manufactures ingots from raw steel.

Liquidity: Stretched

The liquidity position of the firm remained stretched during FY24 marked by tightly matched cash accruals of Rs.0.59 crore as against debt repayment obligation of 0.43 crore arising in FY25. Average CC utilization remained low at below 10% for past 12 month ended August 2024 owing to lower operations. Operating cycle though improved, remained elongated at 108 days. Cash and bank balance remained low at Rs.0.74 crore as on March 31, 2024.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

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

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial Services & Supplies	Trading & Distributors

Shraddha Impex (SDI), established in 2003 as a partnership firm, was originally engaged in trading of fruits and vegetables like grapes, onion, garlic, tomatoes etc. Further, from FY16 onwards, the firm commenced export of various spices, herbs and agro products like sesame seeds, chickpeas, sugar, red and green chillies etc. However, since FY20 SDI is mainly engaged in exporting sugar to Colombo, Singapore, Malaysia, China, Indonesia, Qatar etc. It also imports metal and plastic scrap and sells domestically. The firm is a government recognized export house, managed by Mr. Govind Singh Baghel and Mrs. Asha Singh Baghel.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (P)
Total operating income	18.34	14.54
PBILDT	0.95	1.39
PAT	0.18	0.58
Overall gearing (times)	2.37	0.95
Interest coverage (times)	1.30	2.39

A: Audited P: Provisional; 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-Working capital Term Loan		-	-	28-02-2027	1.12	CARE B; Stable; ISSUER NOT COOPERATING*
Fund-based - ST-EPC/PSC		-	-	-	5.00	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 - ST-EPC/PSC	ST	5.00	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4 (23-Sep-24)	1)CARE A4 (05-Sep-23) 2)CARE A4; ISSUER NOT COOPERATING * (16-Aug-23)	1)CARE A4+ (11-Jul-22)
2	Fund-based - LT-Working capital Term Loan	LT	1.12	CARE B; Stable; ISSUER NOT COOPERATING *	-	1)CARE B+; Stable (23-Sep-24)	1)CARE B+; Stable (05-Sep-23)	-

*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-Working capital Term Loan	Simple
2	Fund-based - ST-EPC/PSC	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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