

Sindhvai Agro Industries

February 26, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	3.13	CARE BB; Stable	Assigned
Long Term / Short Term Bank Facilities	20.00	CARE BB; Stable / CARE A4	LT rating reaffirmed and ST rating assigned
Long Term / Short Term Bank Facilities	1.62 (Reduced from 5.00)	CARE BB; Stable / CARE A4	Reaffirmed
Short Term Bank Facilities	0.25	CARE A4	Assigned
Short Term Bank Facilities	30.00	CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to the bank facilities of Sindhvai Agro Industries (SIAI) continue to remain constrained due to thin profitability, its presence in highly competitive and fragmented edible oil industry, susceptibility of its profitability to volatile agro-commodity prices, partnership nature of constitution and stretched liquidity. However, ratings derive strength from the firm's experienced promoters in the edible oil industry and its moderately concentrated albeit reputed clientele. Ratings further derived strength from firm's improved albeit moderate scale of operations during FY25 (Audited, period refers from April 01 to March 31) and moderate financial risk profile.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in scale of operations marked by Total Operating Income (TOI) above Rs.500 crore with PBILDT margins above 2% on a sustained basis.
- Improvement in Total debt/PBILDT below 4x on sustained basis

Negative factors

- Moderation in TOI below Rs.200 crore and PBILDT margin below 1%.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CareEdge Ratings) expectations that the firm will sustain its moderate scale of operations and moderate financial risk profile, supported by its experienced promoters and reputed clientele.

Detailed description of key rating drivers:

Key weaknesses

Thin profitability

SIAI's profitability remained thin due to the limited value addition and high volatility in raw material prices which is procured at market linked rates. The firm reported PBILDT margin of 1.10% in FY25 (1.88% in FY24) on account of increase in raw material prices. It reported PAT margin of 0.27% in FY25 (0.37% in FY24).

Presence in a highly competitive and fragmented industry with inherent risk associated with volatility in agro commodities prices

The edible oil industry in India is characterized by a high degree of competition, resulting from fragmentation due to low entry barriers and low capital intensity. As a result, profitability is inherently thin. SIAI uses mustard seeds as key raw materials for the extraction process and mustard oil cake for refining process, while the end products include Mustard oil and refined oil. Both raw materials and end products are agricultural commodities, and their prices are affected by various factors, including monsoon, area

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

under cultivation, prices of other edible oils, minimum support prices (MSP) set by the government, the demand supply gap, and weather conditions in major crop-growing nations; thus, the same remain volatile.

Partnership nature of constitution

The constitution as a partnership restricts SIAI's overall financial flexibility in terms of limited access to external funds for any future expansion plans. Further, there is inherent risk of possibility of withdrawal of capital being withdrawn at time of personal contingency and dissolution of the entity in case of death/insolvency of any of the partners. Moreover, partnership constitution has restricted access to external borrowings as credit worthiness of partners would be key factors affecting credit decision for lenders.

Key strengths

Experienced Promoters

SIAI is promoted and managed by Arjun Maheshwari, along with other partners. He has over two decades of experience in manufacturing mustard oil through other group companies, Siddhi Vinayak Industries and Shrinathji Agro Industries (CARE BB; Stable / CARE A4), both based in Gujarat. This experience has provided him with a good understanding of market dynamics and has helped him maintain relationships with both suppliers and customers.

Improved albeit moderate scale of operations

During FY25, the firm registered improvement in scale of operations with TOI of Rs.325.68 crore as against Rs.172.40 Crore in FY24 on account of better volume sales during FY25. In 9MFY26, SIAI registered TOI of Rs.175.16 crore. For FY26, it is envisaged to register TOI of around Rs.250 Crore.

Moderate financial risk profile

Firm's capital structure moderated as marked by overall gearing of 1.48x in FY25 (0.92x in FY24). The moderation takes into account increase in total debt with infusion of unsecured loans. Debt coverage indicators remained moderate as marked by PBILDT interest coverage of 2.86x during FY25 (PY: 2.96x). Total debt to GCA moderated to 9.34x as on March 31, 2025 (4.72x as on March 31, 2024). Capital structure is expected to remain moderate with upcoming debt funded capex of 1.5 MW solar power plant with estimated costs of ~Rs.4 crore to be implemented in FY27. However, the project is still at planning stage.

Moderately concentrated albeit reputed clientele

SIAI has a moderately concentrated customer profile, with top 10 customers contributing around 40% of the firm's sales in FY25. High customer concentration may expose the firm to the risks of revenue loss or low profitability in case of a slowdown in off-take by these customers or the loss of customers. However, SIAI's clientele is reputed, with approximately 20% of sales for FY25 contributed by Godrej Industries Limited (GIL). The remaining sales are derived from other local customers through brokers.

Liquidity: Stretched

Liquidity of the firm remained stretched as marked by moderate working capital limit utilization, negative cash flow from operations and low cash balance. The average working capital limit utilization remained at 61% during past 12 months ended October 31, 2025. The firm reported net cash flow from operation (CFO) of negative Rs.11.39 crore during FY25 (PY: Rs.13.64 crore), due to increase in receivables and inventory at year end. Current ratio remained comfortable at 1.54x (PY: 1.25x). Due to high inventories, quick ratio remained at 0.40x in FY25 (PY: 0.29x). Unencumbered cash and bank balance was around Rs.0.05 crore as on March 31, 2025. However, operating cycle of the firm remained comfortable at 20 days at FY25 end (PY end: 32 days).

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

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[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	Edible Oil

Gujarat based Sindhvai Agro Industries (SIAI) was established in April 2015 as a partnership concern. The firm is engaged in extraction of mustard oil and De-oiled cake (DOC) derived through processing of mustard oil cake and mustard seeds through its expeller division with a capacity of 60 tonnes per day (TPD) and a solvent plant with a capacity of 250 TPD. It also has oil refining capacity of 100 TPD. SIAI is promoted by Maheshwari family and Patel family. Overall function of the firm are managed by partner Arjun Maheshwari.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	172.40	326.63	175.16
PBILDT*	3.25	3.60	NA
Profit after tax (PAT)	0.64	0.87	NA
Overall gearing (x)	0.92	1.48	NA
Interest coverage (x)	2.96	2.86	NA

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

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/ ST-Cash Credit		-	-	-	20.00	CARE BB; Stable / CARE A4
Fund-based - ST-Bill Discounting/ Bills Purchasing		-	-	-	30.00	CARE A4
Fund-based/Non-fund-based-LT/ST		-	-	-	1.62	CARE BB; Stable / CARE A4
Non-fund-based - ST-Forward Contract		-	-	-	0.25	CARE A4
Term Loan-Long Term		-	-	March 2034	3.13	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/ST-Cash Credit	LT/ST	20.00	CARE BB; Stable / CARE A4	-	1)CARE BB; Stable (13-Jan-25)	-	-
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	30.00	CARE A4	-	1)CARE A4 (13-Jan-25)	-	-
3	Fund-based/Non-fund-based-LT/ST	LT/ST	1.62	CARE BB; Stable / CARE A4	-	1)CARE BB; Stable / CARE A4 (13-Jan-25)	-	-
4	Term Loan-Long Term	LT	3.13	CARE BB; Stable				
5	Non-fund-based - ST-Forward Contract	ST	0.25	CARE A4				

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/ ST-Cash Credit	Simple
2	Fund-based - ST-Bill Discounting/ Bills Purchasing	Simple
3	Fund-based/Non-fund-based-LT/ST	Simple
4	Non-fund-based - ST-Forward Contract	Simple
5	Term Loan-Long Term	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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