

Sri Lakshmi Venkatadri Agro Food Industries

March 11, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	11.00	CARE B; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE B+; Stable and 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 Ltd. has been seeking information from Sri Lakshmi Venkantadri Agro Food Industries (SLVAFI) to monitor the rating(s) vide e-mail communications dated October 14, 2025; November 11, 2025; December 04, 2025; January 02, 2026; February 03, 2026; February 16, 2026 and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, CARE Ratings Limited has reviewed the rating on the basis of the best available information which however, in CARE Ratings Limited's opinion is not sufficient to arrive at a fair rating. The rating of Sri Lakshmi Venkantadri Agro Food Industries' bank facilities will now be denoted as CARE B; Stable 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.

The revision in rating is on account non availability of latest financial and operational information.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on February 14, 2025, the following were the rating strengths and weaknesses.

Key weaknesses

Moderate scale of operations and profitability margins

The scale of operations has improved marginally from Rs. 35.75 crore in FY23 to Rs. 39.33 crore in FY24. Firm has estimated scale of operations to remain at similar level in FY25 and has earned income of Rs. 30.37 crore in 9MFY25. Profitability margin has fallen from 3.38% in FY23 to 2.84% in FY24 due to reduction in gross margin. The price of rice in the market does not match the increased raw material cost as a result the firm is unable to pass on the increased costs to its customers.

Highly fragmented and competitive nature of industry

The Indian rice mill industry is highly unorganized and fragmented in nature. Based on product type, the rice and paddy market can be segmented into variety of products and features a fragmented and competitive landscape owing to the presence of many small-scale companies. The market also features some large companies holding prominent positions, making the market intensely competitive.

Constitution of the entity as a partnership firm

SLVAFI, being a partnership firm, is exposed to inherent risk of the partners' capital being withdrawn at time of personal contingency and firm being dissolved upon the death of partners.

Moderate capital structure and debt coverage indicators

Overall gearing of the firm though improved from 3.10x as on March 31, 2023 to 2.57x as on March 31, 2024 due to accretion of profits to net worth, it continues to remain moderate. Debt levels are estimated to increase with enhancement in working capital. Interest coverage ratio has improved marginally due to reduced interest cost in FY24.

Key strengths

Location advantage with easy availability of raw material

The rice milling unit of SLVAFI is located at Koppal district which is the one of the major districts for producing rice in Karnataka, also forming part of the region known as rice bowl of Karnataka. This ensures easy raw material access and smooth supply of raw materials at competitive prices and lower logistic expenditure.

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

Established track record and experienced promoters

SLVAFI was established in the year 2008 and was promoted by Mr. N. Rajgopal (Managing Partner) and his family members. He has more than decade of experience in rice processing industry. Through his experience in the rice processing industry, the firm has established healthy relationship with key local suppliers and customers as well.

Liquidity: Stretched

Liquidity of the firm remains stretched marked by near full utilization of working capital limits. Firm's accruals have been insufficient to repay term debt obligations and is dependent upon promoter funding. Current ratio has gone down in FY24 with increase in creditors and short-term unsecured loans. Cash flow from operations also remained negative due to increase in inventory levels.

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

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

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

Karnataka based, SLVAFI was established in 2008 as a partnership firm by Mr. N Rajagopal, Mr. D Bheemesh, Mrs. N Vijayalakshmi & Mrs. D Manjula. The firm is engaged in milling and processing of rice.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	December 31, 2024(UA)
Total operating income	35.75	39.33	30.37
PBILDT*	1.21	1.12	1.80
Profit after tax (PAT)	0.22	0.25	0.53
Overall gearing (x)	2.57	2.25	2.20
Interest coverage (x)	1.46	1.54	1.87

A: Audited UA: Unaudited; Note: these are latest available financial results

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

Status of non-cooperation with previous CRA: CRISIL continues to place the rating under Issuer Not Cooperating vide their press release dated November 5, 2025 as SLVAFI has not shared information with CRA.

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	-	-	-	-	11.00	CARE B; Stable; 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	11.00	CARE B; Stable; ISSUER NOT COOPERATING*	-	1)CARE B+; Stable (14-Feb-25) 2)CARE B; Stable; ISSUER NOT COOPERATING* (25-Oct-24)	1)CARE B+; Stable (20-Sep-23)	1)CARE BB-; Stable (26-Jul-22)

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

LT: Long 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

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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