Annur SS Agro Foods Private Limited

June 15, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	42.00	CARE BB; Stable	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

The ratings assigned to the bank facilities of Annur SS Agro Foods Private Limited (ASAFPL) are constrained by its moderate scale of operations, modest capital structure and moderate debt protection metrics. The company operates in the highly competitive and fragmented rice milling industry, which exerts pressure on margins and limits pricing flexibility. However, the ratings derive strength from the promoters' extensive experience in the business, the company's diversified product portfolio, and its established regional brand recognition, which support its market position.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Ability to increase the total operating income above ₹250 crore with PBILDT margin above 6% on sustained basis
- Ability to improve debt coverage metrics with total Debt/ GCA below 5x

Negative factors

- Decline in debt coverage metrics with total Debt/ GCA above 10x
- Slowdown in inventory movement leading to stretched working capital cycle above 120 days.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects the company's ability to sustain its operational performance, supported by its established retail presence and the experience of its promoters.

Detailed description of key rating drivers:

Key weaknesses

Moderate scale albeit grown over the years

The company has an established track record of around three decades in rice milling operations. However, despite this long operating history, its scale of operations remains moderate, with total operating income of ₹203.39 crore in FY26, registering a CAGR of 40.6% over the past three years ended FY26. The company also deals in private-label FMCG products through its retail stores, with production outsourced to third parties

Moderate capital structure and debt protection metric

The capital structure stood moderate with overall gearing at 2.43x as on March 31, 2026 due to higher dependence of working capital borrowings. The company had recently completed debt funded capex towards setting up Boiler with installed capacity of 5 MTPD and machinery unit for drying and wastage reduction during paddy processing. The cost incurred towards the capex was ₹10.0 crore which was funded by term loan of ₹6.85 crore and remaining from internal accruals. The debt protection metrics stood moderate with total debt/gross cash accruals at 7.69x as on March 31, 2026 (PY: 8.04x).

Highly competitive and fragmented rice milling business

ASAFPL operates in a highly competitive and fragmented rice milling industry, characterized by the presence of numerous regional and unorganized players offering largely commoditised products, which limits pricing power across the sector. the company benefits from its relative scale, established procurement linkages, and integrated milling infrastructure, enabling cost efficiencies and better absorption of raw material price volatility compared with smaller peers. Nevertheless, the fragmented industry structure

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

results in persistent margin pressure and elevated working capital intensity, particularly during peak paddy procurement seasons. The PBILDT margin has declined over the years from 7.67% in FY23 to 5.31% in FY26.

Exposure to agro-climatic risk due to seasonal nature of availability of paddy

ASAF is exposed to agro-climatic risk due to the seasonal availability of paddy, as procurement is concentrated during defined harvest periods and is dependent on monsoon patterns and agricultural output. Any adverse weather conditions, crop yield fluctuations, or delays in harvest can impact raw material availability and pricing, thereby affecting capacity utilization and margins. While the company mitigates this risk to an extent through timely procurement, inventory management, and diversified sourcing regions, complete insulation from agro-climatic variability remains limited given the nature of the industry.

Key strengths

Vast experience of the promoter in the industry

The management of ASAFPL is led by Mr. S. Sivakumar, Promoter and Managing Director, who has extensive experience in agro-processing and food manufacturing. He is actively involved in the day-to-day operations of the company and holds an MBA qualification. He is supported by his wife, Mrs. Kamatchi, who holds an MSc and is involved in the human resources and IT functions. The promoters' experience has supported the steady expansion of the company's retail presence over the years. As on March 31, 2026, the company operated around 92 retail stores, including the addition of 26 stores during FY26.

Product diversity and retail SKUs

ASAFPL operates an integrated model with rice as the core product manufactured in-house under the "Annur SS Agro" brand, supported by a wide FMCG portfolio (food, non-food and staples) comprising ~15,000 SKUs, largely sold through its own retail network. The company offers ~40 rice variants and additionally engages in wholesale supply to institutions and local businesses, with wholesale contributing ~40% of revenues. The revenue mix remains retail-driven (60.1% in FY26) with a gradual increase in wholesale share. On the product side, owned label sales continue to dominate (73.7% in FY26), though the rising share of third-party products reflects diversification in the product basket.

Liquidity: Stretched

Liquidity is stretched characterised by tightly matched cash accruals against repayment obligation. The company operates with elongated operating cycle of 82 in FY26 due to higher inventory holding inherent to rice milling industry. The company provides credit period of less than 30 days while it enjoys credit period of 40-45 days from its suppliers. The free cash balance stood moderate at ₹0.42 crore as on March 31, 2026. The company is sanctioned with working capital limits of ₹32 crore. The average working capital utilization stood high at 95% for past 12 months ending April 2026. The current ratio stood moderate at 1.33x as on March 31, 2026 (PY: 1.14x).

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Retail

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

Annur SS Agro Foods Private Limited (ASAFPL), based in Annur (Tamil Nadu), was initially established as a proprietorship firm in 1996 and was later converted into a private limited company in 2019 by Mr. S. Sivakumar. The company is engaged in rice milling and processing of non-basmati rice varieties. It also retails rice and grocery products through its outlets operating under the brand name "Annur SS Mart," which includes different types of retails, including small and bigger outlets. Currently, AAFPL operates 92 outlets, including 4 supermarkets, across Tamil Nadu.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	150.20	203.38
PBILDT*	9.40	10.79
Profit after tax (PAT)	2.09	2.86
Overall gearing (x)	2.97	2.43
Interest coverage (x)	2.81	2.97

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: Infomerics has moved the rating assigned to the bank facilities of ASAFPL into Issuer Not Cooperating category vide press release dated March 06, 2026, considering its inability to carry out a review in the absence of requisite information.

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		-	-	-	32.14	CARE BB; Stable
Fund-based - LT-Term Loan		-	-	August 2030	9.86	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 2026-2027	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
1	Fund-based - LT-Term Loan	LT	9.86	CARE BB; Stable				
2	Fund-based - LT-Cash Credit	LT	32.14	CARE BB; Stable				

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
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026 to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

[2] SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Sandeep P Director **CARE Ratings Limited** Phone: 914428501002 E-mail: sandeep.prem@careedge.in
Relationship Contact Ankur Sachdeva Senior Director **CARE Ratings Limited** Phone: 912267543444 E-mail: Ankur.sachdeva@careedge.in	Naveen S Associate Director **CARE Ratings Limited** Phone: 914224502305 E-mail: naveen.kumar@careedge.in Ragavilashini Muralikrishnan Lead Analyst **CARE Ratings Limited** E-mail: Ragavilashini.M@careedge.in

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