# Shreeji Global FMCG Limited

September 03, 2026

| Facilities/Instruments | Name of the Regulator[1] | Amount (₹ crore) | Rating[2] | Rating Action |
|---|---|---|---|---|
| Long-term / Short-term bank facilities | RBI | 20.00 | CARE BBB; Stable / CARE A3+ | Assigned |
| Long-term bank facilities | RBI | 5.00 | CARE BBB; Stable | Assigned |

Details of instruments/facilities in Annexure-1.

## Rationale and key rating drivers

Ratings assigned to bank facilities of Shreeji Global FMCG Limited (SGFL) derive strength from experienced promotors with established presence in seed-spice market of Gujarat. Ratings also factor SGFL's growth in scale of operations, comfortable financial risk profile, and adequate liquidity.

These rating strengths are partially offset by moderate profitability margins, which are susceptible to raw material (RM) price volatility, SGFL's presence in intensely competitive, unorganised, industry with exposure to agro-climatic risk and food industry related regulations.

## Rating sensitivities: Factors likely to lead to rating actions

### Positive factors

- Growth in total operating income (TOI) above ₹900 crore marked by profit before interest, lease rentals, depreciation, and taxes (PBILDT) margins above 5% on a sustained basis.
- Improvement in financial risk profile marked by total debt by gross cash accruals (TD/GCA) of below 2x on a sustained basis.

### Negative factors

- Increase in working capital intensity or significant debt-funded capex, resulting into overall gearing above 1x on a sustained basis.
- Moderation in TOI below ₹500 crore and PBILDT margins below 3.5% on a sustained basis.

**Analytical approach:** Standalone

**Outlook:** Stable

The "Stable" outlook reflects CARE Ratings Limited's (CareEdge Ratings') expectation that SGFL would continue to derive benefits from its experienced promoters and established presence in seed-spice market of West India.

## Detailed description of key rating drivers

### Key strengths

**Experienced promotors with established presence in seed-spice hub of West India**

Incorporated in 2018, SGFL is engaged in processing whole seeds, ground spices, blended spices, oil seeds, pulses, flours among others. SGFL's operations managed by Jitendra Kakkad and his brother, Vivek Kakkad, who have experience of over a decade in the agro commodity business. The company benefits from direct association with Gondal and Rajkot APMCs, which aids in sourcing high-quality pulses, grains, spices, and oilseeds directly from farmers and aggregators at competitive prices. SGFL also benefits from its proximity to Unjha, which is seed-spice hub of India and Asia's largest spice market. It also benefits from close proximity to Mundra port.

Promotors are ably supported by professionals in the industry who have relevant experience in the industry to look after day-to day operations.

**Comfortable financial risk profile and debt coverage indicators**

SGFL's financial risk profile is comfortable marked by overall gearing and total outside liability by tangible net worth (TOL/TNW) of 0.34x and 0.86x, respectively, in FY26 (PY: 1.03x and 2.95x, respectively). In November 2025, SGFL's share were listed on national Stock Exchange (NSE) emerge platform and funds of ₹85 crore were raised through initial public offering (IPO), for

[1]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.

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

meeting working capital requirement and expansion plans of the entity. Debt coverage indicators are satisfactory marked by interest coverage ratio and TD/PBILDT of 8.78x and 1.44x, respectively, in FY26-end (PY: 6.93x and 1.50x, respectively). This is envisaged to remain comfortable going forward.

**Growing scale of operations**

SGFL's scale of operations grew at compounded annual growth rate (CAGR) of 31% to ₹769.2 crore in FY26 from ₹258.11 crore in FY22-end, on back of increase in sales from existing – whole seeds business and increase in revenue from unblended spices and atta segment, which commenced operations from FY24.

In FY27, SGFL plans to venture into blended spices and millet flour category and is undergoing capex for this, which is envisaged to be operational by December 2026. From FY28 onwards, these value-added products are envisaged to drive the growth in scale of operations.

## Key weaknesses

**Moderate profitability margins, which are susceptible to raw material price volatility**

SGFL's profit margins have improved from 0.8-0.9% during FY22-FY23 to 3-4% during FY25-FY26-end, post setting up grinding facility for ground spices and atta, which generate higher margins compared to whole seeds. Profit margins are envisaged to improve going forward, owing to increase in contribution of ground spices and atta to topline and commencement of sales of value-added products, such as blended spices and millet flour in Q4FY27.

However, since prices of RMs, such as spices, oilseeds, grains, and pulses, etc. are inherently volatile and influenced by climatic conditions, profitability margins are vulnerable to RM price volatility.

**Presence in intensely competitive and unorganised industry**

The food processing industry remains highly competitive and fragmented, with a mix of small, medium, and established players. Since there is limited value addition involved in the spice processing and flour/atta industry, the competition puts pressure on the company's pricing power and profitability. Nevertheless, company is accredited with ISO 9001:2015, ISO: 22000:2018, HACCP, FSSAI, USFDA, Halal, APEDA, Spice Board, FIEO etc. which aids in access to diversified markets.

**Exposure to agro-climatic and regulatory risks in the food industry**

Agro-commodity prices are linked to seasonal crop cycles, which are likely to be affected due to adverse weather conditions, pest infestations, government policies (such as minimum support prices [MSPs], trade restrictions, and export incentives), global commodity demand-supply dynamics, and logistics disruptions.

**Liquidity:** Adequate

SGFL's liquidity profile is adequate marked by term debt obligations in range of ₹1-2 crore against envisaged GCA of ₹25-50 crore from FY27-FY29. SGFL has moderate operating cycle of ~44 days (PY: 27 days) in FY26-end, and healthy current ratio of 2.19x in FY26-end (PY:1.34x). SGFL's has working capital limits of ₹20 crore, which remains utilised at average of ~93% for 12 months ended June 2026. SGFL reported free cash and bank balance of ~₹2 crore (excl. funds earmarked for capex as stated in IPO) in FY26-end.

## Applicable criteria

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

## About the company and industry

## Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|---|---|---|---|
| Fast-moving consumer goods | Fast-moving consumer goods | Food products | Other food products |

Incorporated in 2018, SGFL is engaged in processing of whole seeds, ground spices, blended spices, oil seeds, pulses, and flours, among others, under brand name "SHEETHJI" through its manufacturing facilities in Kherva and Kuvadava, Rajkot. SGFL's operations led by Jitendra Kakkad and his brother, Vivek Kakkad, who have experience of over a decade in the industry.

| Brief Financials (₹ crore) | March 31, 2025 (A) | March 31, 2026 (A) |
|---|---|---|
| Total operating income | 652.00 | 769.16 |
| PBILDT* | 20.32 | 31.58 |
| Profit after tax (PAT) | 12.42 | 19.92 |
| Overall gearing (x) | 1.03 | 0.34 |
| Interest coverage (x) | 6.93 | 8.78 |

A: Audited; UA: Unaudited; 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

**For complexity level of instruments rated refer to Annexure-1.**

**Lender details**: Annexure-4

**Disclosure on facilities/instruments and name of regulators:**
A list of facilities / instruments falling under the purview of financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

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

## Annexure-1: Details of instruments/facilities

| Name of the Instrument | Name of the Regulator | Complexity Level | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|---|---|
| Fund-based - LT-Term Loan | RBI | Simple | - | | - | 31-05-2030 | 5.00 | CARE BBB; Stable |
| Fund-based-LT/ST | RBI | Simple | - | | - | - | 20.00 | CARE BBB; Stable / CARE A3+ |

## 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/ST | LT/ST | 20.00 | CARE BBB; Stable / CARE A3+ | | | | |
| 2 | Fund-based - LT-Term Loan | LT | 5.00 | CARE BBB; Stable | | | | |

LT: Long term; LT/ST: Long term/Short term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

## Annexure-4: Lender details

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