



Press Release

Shree Krishna Impex Ventures Limited

(Formerly Shree Krishna Impex Ventures Private Limited)

July 15, 2025

Ratings

Instrument / Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	Complexity Indicator
Short Term Bank Facilities	82.50* (enhanced from Rs 40.00 crore)	IVR A3+ (IVR Single A Three Plus)	IVR A3 (IVR Single A Three)	Rating Upgraded	Simple
Total	82.50	(Rupees Eighty Two Crore and Fifty Lakh Only)			

**Including proposed bank facility of Rs 33.00 crore*

Details of Facilities are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale

Infomerics Ratings has upgraded the short-term rating to IVR A3+ for the bank loan facilities of Shree Krishna Impex Ventures Limited (Shree Krishna Impex).

The ratings upgrade reflects an improvement in the company's financial risk profile, driven by improvement in the scale of operations & profitability margins. In addition to that, the rating upgrade factors in improvement in the capital structure along with the comfortable working capital cycle, and healthy debt protection metrics of the company. The ratings, however, are constrained by the susceptibility of operating margins to volatility in the forex rates besides customer concentration risk and exposure to geopolitical risks.

IVR has principally relied on the standalone audited financial results of Shree Krishna Impex up to FY24 (refers to period April 1st, 2023, to March 31st, 2024), provisional financials of FY25 (refers to period April 1st, 2024, to March 31st, 2025) and three years projected financials for FY26 to FY28 (refers to 1 April 2025 to 31 March 2028), along with publicly available information/ clarifications provided by the company's management.



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Key Rating Sensitivities:

Upward Factors

- Sustained growth in the scale of business with improvement in profitability metrics thereby leading to overall improvement in cash accruals.
- Improvement in total outside liabilities (TOL)/tangible net worth (TNW) to below 2.5x on sustained basis.

Downward Factors

- Significant decline in the operating income and/or profitability leading to deterioration in debt protection metrics.
- Any sizeable debt funded capex leading to the deterioration in liquidity position & coverage metrics.

List of Key Rating Drivers with Detailed Description

Key Rating Strengths:

Improved scale of operations and profitability margins:

Shree Krishna Impex's total operating income (TOI) has grown with 3-year CAGR of ~242% in last three from Rs 10.69 crore in FY22 to Rs 430.41 crore in FY25 (Provisional) (FY24: Rs 332.37 crore), owing to company getting regular orders from its established client base. The company generates almost whole of the revenue from exports, primarily in Middle East countries including Iraq, Kuwait, Saudi Arabia etc. Company has been able to improve its operating margin by doing few backward integrations resulting in improvement of EBITDA margin from 3.28% in FY24 to 5.05% in FY25(Provisional). On the same line, profit after tax (PAT) margin also improved to 3.30% in FY25(Provisional) as compared to 1.81% in FY24.

Moderate capital structure and healthy debt protection metrics:

The capital structure of the company although improved but stands moderate as reflected by net worth of Rs 29.23 crore as on March 31, 2025 (Provisional) improved from Rs 15.04 crore as on March 31, 2024, against the total debt of Rs. 39.35 crore which primarily includes working capital borrowings. The overall gearing stands comfortable at 1.35x as on March 31, 2025 (Provisional) (PY: 1.91x). Further, total indebtedness remained moderate as reflected by TOL/TNW at 3.12x in FY25 (Provisional) (PY: 4.72x). Debt protection metrics of the



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company remained healthy indicated by debt service coverage ratio (DSCR) of 5.04x as on March 31, 2025 (Provisional) (PY: 4x), and interest service coverage ratio (ISCR) at 6.65x as on March 31, 2025 (Provisional) (PY: 4.90x). Company has comfortable Total Debt/EBITDA ratio of 1.81x in FY25 (Provisional).

Comfortable Working Capital cycle:

The working capital cycle of the company is managed efficiently as highlighted in the short operating cycle of 19 days as on March 31, 2025 (Provisional) (PY: 14 days) on account of moderate credit period offered to its customers of around 43 days and since the company is involved in the export of perishable goods it has an shorter inventory holding of around 24 days only.

Key Rating Weaknesses:

Susceptibility of operating margins to volatility in forex rates and freight charges:

The company is an export-oriented unit and hence derives majority of its total revenue from the export, which is susceptible to volatility in forex rates and freight charges besides other factors like regulatory changes in overseas market. Since ocean freight constitute ~20% of the total cost of production, any adverse change in that is likely to impact the profitability margins for the company.

Customer concentration risk and exposed to geopolitical risks:

The company is largely dependent on a very few clients who contribute more than 80% of its total revenue leading to customer concentration risk. Also, majority of its revenue is derived from Middle Eastern countries including Iran, Iraq, Kuwait, Saudi Arabia etc. wherein it is exposed to political instability in some of these countries. Any geo-political issue in the region is likely to have impact over company's overall operations.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for manufacturing companies.](#)
[Financial Ratios & Interpretation \(Non-Financial Sector\).](#)
[Criteria for assigning Rating outlook.](#)
[Policy on Default Recognition](#)



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Complexity Level of Rated Instruments/Facilities

Liquidity – Adequate

The liquidity position of the company is expected to remain adequate marked by sufficient gross cash accruals expected during FY26-FY28 to cover the minimal debt repayment obligations of ~Rs. 1 crore per year. The bank limit remained utilised at ~52 % during the last twelve months ended May 2025 provides cushion in case of additional working capital requirement to scale up its operations. Cash & cash equivalent of the company stands at Rs. 1.24 crore as on April 30, 2025. The current ratio remains satisfactory at 1.24x as on March 31, 2025 (Provisionals) (PY: 1.13x).

About the Company

Shree Krishna Impex Ventures Limited (formerly Shree Krishna Impex Ventures Private Limited) was incorporated in January 2020. It is involved in the export of banana, grown & harvested through contract farming as well as procured through lease agreement & spot buying depending upon demand & availability. Located in Bhopal (MP), the company has a capacity of harvesting approx. 1 lakh Metric Tonnes Per Annum (MTPA) of banana from the farms located majorly in three states namely Maharashtra, Andhra Pradesh and Madhya Pradesh. The company exports banana under its own brand “SK” and its major export destination is Middle East (Gulf region). Company’s overall operations are looked after by Mr. Ashish Agarwal.

Financials (Standalone):

(Rs. crore)

For the year ended/ As on*	31-03-2024	31-03-2025
	Audited	Provisionals
Total Operating Income	332.37	430.41
EBITDA	10.90	21.72
PAT	6.03	14.20
Total Debt	28.71	39.35
Tangible Net Worth	15.04	29.23
EBITDA Margin (%)	3.28	5.05
PAT Margin (%)	1.81	3.30



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Overall Gearing Ratio (x)	1.91	1.35
Interest Coverage (x)	4.90	6.65

* Classification as per Infomerics Standard

Status of non-cooperation with previous CRA: None

Any other information: NA

Rating History for last three years:

Sr. No.	Name of Instrument/ Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25 (Dec 16, 2024)	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
1.	Fund Based Facilities	Short Term	75.00	IVR A3+	IVR A3	-	-
2.	Non-Fund Bank Facilities	Short Term	7.50	IVR A3+	IVR A3	-	-

Name and Contact Details of the Rating Analyst:

Name: Vipin Jindal
Tel: (011) 45579024
Email: vipin.jindal@infomerics.com

About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit



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ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

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Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Export Packing Credit	-	-	-	45.00	IVR A3+
Forward Cover Limit	-	-	-	4.50	IVR A3+
Proposed Export Packing Credit	-	-	-	30.00	IVR A3+
Proposed Forward Cover Limit	-	-	-	3.00	IVR A3+



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Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/Len-Shree-Krishna-Impex-15july25.pdf>

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated analysis: Not Applicable.

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.

