



Press Release

Shreeji Global FMCG Limited

September 01, 2025

Ratings

Instrument/Facility	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action	<u>Complexity Indicator</u>
Long Term Facilities	23.75	IVR BBB- /Stable (IVR Triple B Minus with Stable Outlook)	-	Rating Assigned	Simple
Long Term Facilities /Short Term Facilities	16.25	IVR BBB- /Stable/IVR A3 (IVR Triple B Minus with Stable Outlook/ IVR A Three)	-	Rating Assigned	Simple
Total	40.00 (Rupees Forty Crore Only)				

Details of Facilities/Instruments 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 assigned its 'IVR BBB-/Stable/IVR A3' ratings on the bank facilities of Shreeji Global FMCG Limited (SGFL).

The assigned ratings factors experienced promoters, strategic geographic advantage, diversified customer base and improvement in scale of operations. However, these strengths are partially offset by competitive nature of the industry, susceptibility of its profitability to fluctuation in raw material prices, and exposure to foreign currency risk.

'Stable' outlook on the recommended rating is underpinned by consistent demand for agro-based products, which is anticipated to support a steady revenue stream. Additionally, the outlook is supported by the promoters' extensive experience in the agro-products industry, and strong relationships with customers both domestically and internationally.

Key Rating Sensitivities:

Upward Factors

- Significant increase in scale of operations along with sustained improvement in operating margins
- Sustained improvement in capital structure leading to better-than-expected debt protection metrics



Press Release

Downward Factors

- Significant decline in the scale of operations along with operating margins.
- Significant moderation in capital structure leading to decline in the debt protection metrics

List of Key Rating Drivers with Detailed Description

Key Rating Strengths

- **Extensive Experienced Promoters**

The company was founded under the leadership of Mr. Jitendra Kakkad, a seasoned entrepreneur with over ten years of experience in the agro-based products sector. His journey began in 2014 with the establishment of M/s. Shreeji Enterprise, a proprietorship firm. To facilitate further growth and diversification, SGFL was incorporated in 2018. The board of directors now includes other members of Mr. Kakkad's family, each bringing an average of five years of industry experience. They are supported by a capable and well-qualified second-tier management team that oversees daily operations. Under their guidance, the company has built a robust network of suppliers and customers, which continues to strengthen its operational efficiency and market presence.

- **Geographical advantage and diversified customer base**

The company benefits from its strategic location in Gondal and Rajkot—two agriculturally rich hubs in Gujarat. With direct licensing in the APMCs of both regions, it sources high-quality pulses, grains, spices, and oilseeds directly from farmers and aggregators at competitive prices. Its two processing units, located within 30 km of each other and the APMCs, reduce transport time and post-harvest losses, ensuring product freshness and operational efficiency.

Proximity to Mundra Port (approx. 250 km) enables fast, cost-effective exports, enhancing global service levels. The company serves a diverse customer base, including retailers, wholesalers, corporates, and export clients forming 8% of the topline in fiscal 2025 (provisional)—ensuring business stability and reduced dependency on any single segment. In FY25 (Prov.), the company reported an



Press Release

operating cycle of 26 days, reflecting continued operational efficiency despite an increase from 15 days in FY24.

- **Improvement in scale of operations and capital structure**

SGFL's total operating income grew by 25.49% from ₹470.63 crore in FY23 (refers to the period 1st April 2022 to 31st March 2023) to ₹590.59 crore in FY24 (refers to the period 1st April 2023 to 31st March 2024), and further by 10.19% to ₹650.74 crore in FY25 (Prov.) (refers to the period 1st April 2024 to 31st March 2025), driven by strong product demand and expansion into manufacturing ground spices and flours. Previously focused on grading and sorting whole seeds, expansion into manufacturing ground spices and flours contributed to scale and margin improvement. EBITDA margin rose by 101 bps from 1.85% in FY24 to 2.86% in FY25 (Prov.), aided by better procurement, inventory management, and cost optimization. The PAT margin also improved to 1.69% in FY25 (Prov.) from 0.88% in FY24, supported by higher EBITDA and lower finance costs following term loan repayment.

- **Improvement in Capital Structure and debt protection metrics**

Company's overall gearing improved from 1.34x as on 31st March 2024 to 0.97x as on 31st March 2025 predominantly on account of improvement in TNW (Adjusted). TNW(Adjusted) increased from Rs. 16.92 crores as on March 31, 2024, to Rs. 27.92 crores as on March 31, 2025, due accretion of profit to reserves. Furthermore, total indebtedness of the company as indicated by TOL/TNW also improved from 5.75x as on March 31, 2024, to 2.73x as on March 31, 2025. Interest coverage also improved from 3.67x in FY24 to 6.61x in FY25 resulting from improvement in EBITDA

Key Rating Weaknesses

- **Competitive nature of the industry resulting in thin profit margins**

The food processing industry remains highly competitive and fragmented, with a mix of small, medium, and established players. Operating in this environment, the company has traditionally faced low profit margins. However, margins have shown improvement, with EBITDA rising to 2.86% in FY25 (Provisional), up from 1.85% in FY24—primarily driven by a decline in raw material costs. Increased operating income



Press Release

has also led to a rise in absolute PAT, which grew from Rs. 5.21 crore in FY24 to Rs. 11.00 crore in FY25 (Provisional).

- **Susceptibility of its profitability to fluctuation in raw material prices**

The prices and availability of these raw materials i.e. spices, oilseeds, grains and pulses etc. are inherently volatile and are influenced by numerous external factors including, but not limited to, seasonal crop cycles, adverse weather conditions, pest infestations, government policies (such as MSPs, trade restrictions, and export incentives), global commodity demand-supply dynamics, and logistics disruptions. That said, any significant volatility impacting the company's margin profile on structural basis will remain a key monitorable.

- **Exposure to Foreign Currency Risk**

In FY25 (Prov.), SGFL derived 8.89% of total sales from exports and imports accounted for 3.03% the total raw material purchases. The company imports certain raw materials from countries such as UAE, Singapore, Sri Lanka and Vietnam and exports to around 25 countries with exports to UAE and Malaysia comprising of majority of exports. However, company does not hedge its exposure given exports' value is generally higher than imports providing natural hedge for its exposure. During fiscal 2025 (provisional), SGFL reported a foreign exchange gain of Rs. 0.56 crore (Rs. 0.68 crore in FY24), underscoring the company's belief. That said, any adverse movement in foreign currency rates may impact its profit margins. This will remain a key monitorable going forward.

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 and Post-Default Curing Period](#)



Press Release

Complexity Level of Rated Instruments/Facilities

Liquidity – Adequate

The liquidity position of the company is expected to remain adequate as the company is expected to generate annual cash accruals in the range of Rs. 26.00-49.00 Crore over the fiscal 2026-2028 period which is sufficient to cover annual debt repayment obligation of Rs. 1.43 - 0.99 Crore over the same period. Company's average working capital utilization for twelve months ended March 2025 stood at 97.74% which is on higher side providing little cushion. However, company has reported comfortable current ratio at 1.34x as on March 31, 2025 (Prov). Further, cash and bank balance stood at Rs. 0.09 crore as on March 31, 2025.

About the Company

Shreeji Global FMCG Limited was incorporated on February 01, 2018, as Shreeji Agree Commodity Private Limited. The company changed its name to Shreeji Global FMCG Limited on January 09, 2025. It is promoted by Mr. Jitendra Kakkad and his family members. The company is engaged in the business of manufacturing and processing of a wide range of agro-based products including ground and whole spices, seeds, grains, pulses, and wheat flour (Atta), which are marketed under our brand "SHETHJI" as well as under white-label arrangements. It has two manufacturing facilities located in Kherva and Kuvadava in Rajkot. It caters to domestic as well export market and has presence in more than 20 countries with exports to UAE and Malaysia comprising of majority of exports.

Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	590.59	650.74
EBITDA	10.91	18.61
PAT	5.21	11.00
Total Debt	22.73	27.02
Tangible Net Worth	16.92	27.92
EBITDA Margin (%)	1.85	2.86
PAT Margin (%)	0.88	1.69
Overall Gearing Ratio (x)	1.34	0.97



Press Release

Interest Coverage (x)	3.67	6.61
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* Classification as per Infomerics' standards.

Status of non-cooperation with previous CRA: None

Any other information None

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-26)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-25	Date(s) & Rating(s) assigned in 2023-24	Date(s) & Rating(s) assigned in 2022-23
					Date (Month xx, 202x)	Date (Month xx, 202x)	Date (Month xx, 202x)
1.	Term Loan	Long Term	3.31	IVR BBB- / Stable	-	-	-
2.	GECL	Long Term	0.44	IVR BBB- / Stable	-	-	-
3.	Cash Credit	Long Term	20.00	IVR BBB- / Stable	-	-	-
4.	Proposed Long Term/Short Term	Long Term/Short Term	16.25	IVR BBB-/ Stable/IVR A3	-	-	-

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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).



Press Release

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

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information and definition of ratings please visit www.infomerics.com.

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Annexure 1: Instrument/Facility Details

Name of Facility/ /Security	ISIN	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Term Loan	-	-	-	December, 2030	3.31	IVR BBB- /Stable
GECL	-	-	-	November, 2026	0.44	IVR BBB- /Stable
Cash Credit	-	-	-	-	20.00	IVR BBB- /Stable
Proposed Long Term/Short Term				-	16.25	IVR BBB-/ Stable/IVR A3

Annexure 2: Facility wise lender details

<https://www.infomerics.com/admin/prfiles/Len-Shreeji-Global-01sept25.pdf>



Press Release

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

Annexure 4: List of companies considered for consolidated/Combined 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.

