



## Press Release

### Criyagen Agri & Biotech Private Limited

May 21, 2025

Rating

Security Facility	Amount (Rs. crore)	Current Rating	Previous Rating	Rating Action	<a href="#">Complexity Indicator</a>
Long Term Bank Facilities	33.93 (reduced from Rs.36.56 crore)	IVR BBB-; Stable (IVR Triple B Minus with Stable Outlook)	IVR BBB-; Stable (IVR Triple B Minus with Stable Outlook)	Rating reaffirmed	Simple
Total	33.93 (Rupees thirty-three crore and ninety-three lakh 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

The reaffirmation of the ratings to the bank facilities of Criyagen Agri & Biotech Private Limited (CABPL) continues to derive comfort from extensive experience of the promoters, large portfolio of formulations and strong marketing network, stable financial performance in FY24 (FY refers to the period from April 01 to March 31) and in FY25 (Estimated) coupled with moderate capital structure and satisfactory debt protection metrics. These rating strengths continue to remain partially offset by exposure to intense competition and exposure to risks inherent in the agrochemical and organic fertilizer market in India.

The outlook of the company is expected to remain stable on the back of improvement in overall operations of the company and further improvement in its capital structure.

#### Key Rating Sensitivities:

##### Upward Factors

- Growth in the scale of business with improvement in profitability metrics thereby leading to overall improvement in cash accruals on a sustained basis.
- Improvement in the capital structure with improvement in overall gearing ratio to below 1.5x
- Effective working capital management with improvement in operating cycle and liquidity



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### **Downward Factors**

- Decline in operating income and/or profitability impacting the cash accrual and debt coverage indicators
- Moderation in the capital structure with deterioration in overall gearing to over 2x
- Moderation in the liquidity position marked by further elongation in the operating cycle

### **List of Key Rating Drivers with Detailed Description**

#### **Key Rating Strengths**

##### **Extensive experience of the promoters**

The promoters of “CABPL” have experience of over a decade in the manufacturing of biochemical fertilizers. The extensive experience of the promoters in the industry has helped the company in establishing its operational presence in the domestic markets over the years.

##### **Large portfolio of formulations and strong marketing network**

The company is offering a wide range of products in Bio-chemical fertilizer, Bio fertilizer, PROM (Phosphate Rich Organic Manure) and Bio control agents and has a strong marketing team managed under the leadership of Mr. Arjun Rudrappa Girenavar and Mr. Penchalaiah KS having experience of more than two decades coupled with a strong dealership and society network.

##### **Stable financial performance in FY24 and in FY25**

Total operating income (TOI) dampened from Rs.168.78 crore in FY23 to Rs.152.26 crore in FY24 driven by decline in the sales of its products underpinned by unfavourable climatic condition for crop production. Despite decline in TOI, the EBITDA margin of the company has improved from 8.92% in FY23 to 11.01% in FY24 on the back of better cost optimization and drop in raw material cost. Despite increase in operating profit, PAT margin has moderated from 4.55% in FY23 to 3.14% in FY24 due to increase in finance charges and depreciation expense. As per FY25 estimated numbers, the company has achieved TOI of Rs.197.94 crore with EBITDA margin of 10.91% and PAT margin of 5.29%. The company's ability to scale up its operations without compromising on its margins will be critical from credit perspective going forward.

##### **Moderate capital structure and satisfactory debt protection metrics**

The overall gearing improved from 2.30x as on March 31, 2023 to 1.36x as on March 31, 2024. However, on adjusting for long pending debtors for one-year, gearing stands at 1.73x as on March 31, 2024 as compared to 2.57x as on March 31, 2023. The improvement in gearing is driven by reduction in total debt and accretion of profit to reserves. The debt coverage



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indicators remained comfortable with ICR of 4.50x in FY24 (4.53x in FY23), total debt/EBITDA of 2.36x as on March 31, 2024 (3.69x as on March 31, 2023) and total debt/GCA of 3.65x (4.66x as on March 31, 2023) as on March 31, 2024.

### **Key Rating Weaknesses**

#### **Exposure to intense competition**

Though the organic fertilizer segment comprises a very small portion of the overall fertilizer industry, it is susceptible to competition from large players who have the financial muscle and established distribution networks.

#### **Exposure to risks inherent in the agrochemical and organic fertilizer market in India**

The domestic agrochemicals and agrochemical industry faces many risks, including erratic monsoon, marketing of spurious pesticides and insecticides, and large working capital requirements. The demand for agrochemicals is driven by agricultural production, which depends on the monsoon. The fortunes of the agrochemicals industry are, therefore, linked to rainfall received during a year.

**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](#)

[Complexity Level of Rated Instruments/Facilities](#)

#### **Liquidity – Adequate**

The liquidity position of the company is expected to remain adequate marked sufficient expected gross cash accruals against its debt repayment obligations during FY26-FY27. Further, the average working capital utilisation of the company in the past 12 months ended in December 2024 remained satisfactory at ~82% indicating an adequate liquidity buffer. However, the company has limited gearing headroom due to its moderate capital structure.

#### **About the Company**

Incorporated on May 27, 2008, Karnataka-based, Criyagen Agri & Biotech Private Limited was promoted by Mr. Basavaraj Girennavar. “CABPL” is involved in production of Biochemical fertilizer, Bio fertilizer, PROM and Bio control agents with an installed capacity of 3,28,500 MTPA. The products are tailored/designed to produce more crop yield per unit area while



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improving the eco-system and bringing sustainability to agriculture. “CABPL” has manufacturing facilities at Bangalore, Bijapur, Sirsa and Ananthpur.

### Financials (Standalone):

For the year ended/ As on*	(Rs. crore)	
	31-03-2023	31-03-2024
	Audited	Audited
Total Operating Income	168.78	152.26
EBITDA	15.06	16.76
PAT	7.69	4.81
Total Debt	55.61	39.49
Tangible Net Worth	21.68	22.83
EBITDA Margin (%)	8.92	11.01
PAT Margin (%)	4.55	3.14
Overall Gearing Ratio (x)	2.57	1.73
Interest Coverage (x)	4.53	4.50

\* Classification as per Infomerics' standards.

**Status of non-cooperation with previous CRA:** India Ratings has continued to classify the rating of CABPL under “ISSUER NOT COOPERATING” category vide its Press Release dated June 25, 2024, due to unavailability of information.

CRISIL Ratings has continued to classify the rating of CABPL under “ISSUER NOT COOPERATING” category vide its Press Release dated February 25, 2025, due to unavailability of information.

**Any other information:** Nil

### Rating History for last three years:

Sr. No.	Name of Security/ Facilities	Current Ratings (Year 2025-2026)			Rating History for the past 3 years			
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-2025	Date(s) & Rating(s) assigned in 2023-2024		Date(s) & Rating(s) assigned in 2022-23
					-	Mar 04, 2024	Dec 22, 2023	Oct 28, 2022
1.	Term Loan	Long Term	12.48	IVR BBB-; Stable	-	IVR BBB-; Stable	IVR BB+; Negative; ISSUER NOT COOPERATING*	IVR BBB-; Stable
2.	GECL	Long Term	2.45	IVR BBB-; Stable	-	IVR BBB-; Stable	-	-



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					-	Mar 04, 2024	Dec 22, 2023	Oct 28, 2022
3.	Cash Credit	Long Term	19.00	IVR BBB-; Stable	-	IVR BBB-; Stable	IVR BB+; Negative; ISSUER NOT COOPERATING*	IVR BBB-; Stable

<sup>^</sup>Outstanding as on December 31, 2024

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

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### About Infomerics:

Infomerics Valuation and Rating Ltd [Formerly Infomerics Valuation and Rating Private 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 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: 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 I	-	-	-	June 2032	12.24	IVR BBB-; Stable
Term Loan II	-	-	-	February 2026	0.24	IVR BBB-; Stable
GECL	-	-	-	December 2026	2.45	IVR BBB-; Stable
Cash Credit	-	-	-	-	19.00	IVR BBB-; Stable

### Annexure 2: Facility wise lender details:

<https://www.infomerics.com/admin/prfiles/len-criyagen-may25.pdf>

**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](http://www.infomerics.com).