Press Release
SBG INDUSTRIES PRIVATE LIMITED
December 04, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	80.00	-	ACUITE A3 | Assigned
Total Outstanding Quantum (Rs. Cr)	80.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned the short-term rating of **'ACUITE A3' (read as ACUITE A Three)** on the Rs. 80.00 Cr. bank facilities of SBG Industries Private Limited (SBGIPL).

Rating Rationale
The rating takes into cognizance the long track of operations with diversified clientele, steady business risk profile, efficient working capital cycle, moderate financial risk profile, adequate liquidity position and increasing geographical presence of the group in the past years. However, the suspension of export activities because of the ban on exports of rice led the group to slow down its growth in FY24. However, these strengths are partly offset by the volatility in raw material prices in the market.

About the Company

SBG Industries Private Limited has started operations in 2014 as a proprietary concern and was incorporated in 2022 as a private limited company. The company is engaged in trading and exporting rice. They offer products like Basmati, Non- Basmati & Other Agri Commodities. The present directors are Mr. Ankit Shivshankar Khandelwal and Mrs. Sonal Ankit Khandelwal. The registered office is in Gondia.

About the Group

Shri Balaji Global DWC-LLC
Shri Balaji Global DWC-LLC is registered in the Emirate of Dubai as a limited liability company incorporated in the year 2018. The primary business is marketing and sale of rice. The registered address of the business is in Dubai, United Arab Emirates. The shareholders of the business are: Mr. Ashwin Vinod Ruchani, Mr. Vinod Ruchani and Mr. Ankit Khandelwal.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

• Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has taken consolidated financials of SBG Industries Private Limited and Shri Balaji Global DWC-LLC as these two companies have operational and financial synergies along with common management. Shri Balaji Global DWC-LLC is the marketing and global sales arm of SBG Industries Private Limited.

Key Rating Drivers

Strengths

Steady scale of operations and profitability margins

The group has achieved a revenue of Rs. 479.44 Cr in FY25(Prov.) against Rs. 263.05 Cr in FY24. The increase of 82.26% is attributed to the normalization of the export operations in September 2024 because of the lift of the ban from exporting non-basmati rice in July 2023. The EBITDA margins of the group stood at 5.09% in FY25(Prov.) as compared to 3.94% in FY24. The PAT margins of the group stood at 2.99% in FY25(Prov.) as compared to 2.02% in FY24. The increase in PAT was because of decline in the interest expense and the increase margins after the consolidation of the group company. The topline of the group for H1FY26 is approximately Rs. 60 Cr. The group expects to book better revenue in H2FY26 on account of increased orders stemming from the improved market conditions and expected bulk orders in Q4FY26. Going forward, the group is likely to to see an improvement in the topline in medium term.

Efficient Working Capital Operations

The working capital operations of the group remained efficient marked by GCA days which stood at 89 days as on 31st March 2025(Prov.) against 107 days as on 31st March 2024. The inventory days of the group stood at 15 days as on 31st March 2025(Prov.) against 38 days as on 31st March 2024. The debtor days of the group stood at 58 days as on 31st March 2025(Prov.) against 9 days as on 31st March 2024. The increase in the debtor days was observed because of the increased focus in the consumer profile to African countries where the time lag for shipment is about 40 days and payments are received on CAD basis. On the other hand, the creditor days of the group stood at 18 days as on 31st March 2025(Prov.) against 11 days as on 31st March 2024. Acuité believes that the working capital operations of the group will remain in the same range over the medium term.

Moderate Financial Risk Profile

The financial risk profile of the group is moderate marked by moderate net-worth of Rs. 49.78 Cr as on 31st March 2025(Prov.) against Rs. 47.42 Cr as on 31st March 2024. The increase is noticed on account of accretion of profits to reserves but there has been withdrawal of partners capital from Dubai entity. The total debt of the group is Rs. 48.40 Cr (ST – Rs. 45.17 Cr. and USL – Rs. 3.23 Cr.) as on 31st March 2025(Prov.) against Rs. 16.97 Cr (ST – Rs. 13.44 Cr. and USL – Rs. 3.54 Cr.) as on 31st March 2024. The increase in the debt is related to the short-term loans of which has been taken to fund the export operations after the lift of the ban from the government. The gearing stands below unity at 0.97 times in FY25(Prov.) against 0.36 times in FY24. Further, the interest coverage ratio of the group stood at 2.67 times in FY25(Prov.) against 2.28 times in FY24. The debt service coverage ratio stood at 2.56 times in FY25(Prov.) against 2.10 times in FY24. The improvement was noticed on account of decrease interest expense and absence of any long-term loans. The TOL/TNW stood at 1.42 times in FY25(Prov.) against 0.66 times in FY24. Acuité believes that the financial risk profile of SBGIPL is likely to remain moderate over the medium term due to any further debt funded CAPEX plans.

Weaknesses

Cyclical nature of the industry and geopolitical risks

The agro commodity sector is highly fragmented with the presence of numerous small players and low entry barriers. The returns in this sector tend to be cyclical due to the inherent nature of agro-based industry. Indian agriculture sector is highly monsoon dependent. Seasonal factors have a direct bearing on crop production and incidence of infestation which affects the demand. Moreover, changes in Government regulations pertaining to the industry can impact the industry dynamics. Geopolitical events may also affect sales, particularly export.

Volatility in topline

The group’s topline has remained volatile over the past three years due to its export-oriented model and regulatory disruptions. The 2023 ban on non-basmati rice exports caused a sharp decline, while recovery post-lifting in 2024 was gradual amid a shift to African markets. Current revenue visibility depends on new customer acquisition, repeat orders, and strategic initiatives like brand transition and global partnerships, though susceptibility to policy changes persists.

Rating Sensitivities

Movement in topline with sustainable margins
Movement in working capital cycle
Deterioration of the Financial Risk Profile

Liquidity Position
Adequate

The liquidity profile of the group is adequate. The group generated a net cash accrual of Rs. 14.50 Cr. as on as on 31st March 2025(Prov.) against nil debt repayment obligations in the same period. The current ratio of the group decreased to 1.76 times as on 31st March 2025(Prov.) against 2.77 times as on 31st March 2024. The NCA/TD stood at 0.30 times in FY25(Prov.) as against 0.32 times in FY24. Further, the average bank limit utilization at the month end balance stood low at 65.91% for 6 months ending October 2025. Acuité believes that the liquidity of group is likely to remain adequate over the medium term on account of steady cash accruals and absence of any further debt funded CAPEX.

Outlook : Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	479.44	263.05
PAT	Rs. Cr.	14.33	5.31
PAT Margin	(%)	2.99	2.02
Total Debt/Tangible Net Worth	Times	0.97	0.36
PBDIT/Interest	Times	2.67	2.28

Status of non-cooperation with previous CRA (if applicable)

None

Any Other Information

None

Applicable Criteria

• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Consolidation Of Companies: https://www.acuite.in/view-rating-criteria-60.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Trading Entities: https://www.acuite.in/view-rating-criteria-61.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History : Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
BANK OF INDIA (BOI)	Not avl. / Not appl.	PC/PCFC	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	49.00	Simple	ACUITE A3 | Assigned
Not Applicable	Not avl. / Not appl.	Proposed Short Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	31.00	Simple	ACUITE A3 | Assigned

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Company Name
1	SBG Industries Private Limited
2	Shri Balaji Global DWC-LLC

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About Acuité Ratings & Research
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