

November 26, 2019

To,
General Manager
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai
Maharashtra 400001

Subject : Intimation under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Company Code : 540728

Dear Sir, ▸

Pursuant to Regulation 30 of the Listing Regulations, it is hereby informed that CARE Ratings Limited has reviewed and revised the credit rating of the Company, we enclose herewith a letter issued by M/s CARE Rating Limited, and press release issued by them dated November 22, 2019 and received by us on November 26, 2019:

Facility	Amount (Rs. crore)	Ratings	Rating Action
Long-term Bank Facilities	36.23	CARE BBB; Negative [Triple B; Outlook: Negative]	Revised from CARE BBB; Stable [Triple B; Outlook: Stable]
Long-term/Short-term Bank Facilities	103.50	CARE BBB; Negative/CARE A3 [Triple B; Outlook: Negative / A Three]	Revised from CARE BBB; Stable/CARE A3 [Triple B; Outlook: Stable/ A Three]
Short-term Bank Facilities	35.50	CARE A3 [A Three]	Reaffirmed
Total Facilities	175.23 (Rupees One Hundred and Seventy Five crore and Twenty Three lakh only)		
Medium Term Instrument-Fixed Deposit Programme	30.00 (Rupees Thirty Crore only)	CARE BBB (FD); Negative (Triple B (Fixed Deposit); Outlook: Negative)	Revised from CARE BBB (FD); stable (Triple B; (Fixed Deposit); Outlook: Stable)



Sayaji Industries Limited
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The reason for downgrade revision in credit rating is due to company's financial performance for the quarter and half year ended September, 2019. This in addition to leveraged capital structure, moderate debt coverage indicators and modest liquidity. The rating has resulted in the constrained ratings by CARE. The ratings is further constrained due to company's presence in the competitive agro processing industry along with susceptibility of its profitability due to volatile raw material price and foreign exchange fluctuation risk. However, the rating continues to derive strength from its experienced promoters along with established track record of more than seven decades of the company in maize processing industry, strong product profile with presence in value-added starch derivatives and established sales network with reputed and diversified clientele. The management of the company is hopeful that with reduction in raw materials prices and other measures taken by the company to cut the costs the performance of the company is expected to improve in the second half of 2019-20.

Kindly take the same on record.

Yours faithfully
For Sayaji Industries Ltd.

R. H. Shah

(Rajesh H. Shah)
Company Secretary &
Sr. Executive Vice President
Encl.: As above



No. CARE/ARO/RL/2019-20/2168

Mr. Priyam Mehta
Chairman and Managing Director
Sayaji Industries Limited
P.O. Kathwada, Chinubhai Nagar,
Ahmedabad-382430, Gujarat, India

November 22, 2019

Confidential

Dear Sir,

Credit rating for bank facilities & fixed deposit programme

On the basis of recent developments including operational and financial performance of your company for Q2FY20 (Prov.), our Rating Committee has reviewed the following ratings:

Facility	Amount (Rs. crore)	Ratings ¹	Rating Action
Long-term Bank Facilities	36.23	CARE BBB; Negative (Triple B; Outlook: Negative)	Revised from CARE BBB; Stable (Triple B; Outlook: Stable)
Long-term/Short-term Bank Facilities	103.50	CARE BBB; Negative/ CARE A3 (Triple B; Outlook: Negative/A Three)	Revised from CARE BBB; Stable/CARE A3 (Triple B; Outlook: Stable/A Three)
Short-term Bank Facilities	35.50	CARE A3 (A Three)	Reaffirmed
Total facilities	175.23 (Rs. One Hundred and Seventy Five crore and Twenty Three lakh only)		
Medium Term Instrument- Fixed Deposit Programme	30.00 (Rs. Thirty crore only)	CARE BBB (FD); Negative (Triple B (Fixed Deposit); Outlook: Negative)	Revised from CARE BBB (FD); Stable (Triple B; (Fixed Deposit); Outlook: Stable)

Details of instruments/facilities in Annexure-1

- Refer Annexure 1 for details of rated facilities.
- The rationale for this rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure 2. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we

Attn: Anam Shah

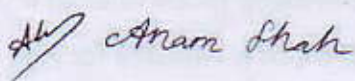
CARE Ratings Limited

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

do not hear from you by November 25, 2019, we will proceed on the basis that you have no any comments to offer.

4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are not recommendations to sanction, renew, disburse or recall any bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

 Anam Shah

Thanking you,

Yours faithfully,

Anam Shah

[Anam Shah]

Analyst

anam.shah@careratings.com



[Akhil Goyal]

Senior Manager

akhil.goyal@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure 1

Details of Rated Facilities

1. Long-term facilities

1. A. Term loans

Sr. No.	Lender	Rated Amount	Remarks	Debt Repayment Terms
1.	Kotak Mahindra Bank	33.67	Outstanding@	Repayment in 24 equal quarterly instalments starting from January 2020
2.		2.56	Outstanding@	Repayment in 7 equal quarterly installments of Rs. 1 crore each; Started from Sep 30, 2018
	Total	36.23		

(Rs. Cr)

@as on June 30, 2019

Total Long-Term facilities rated (1.A) = Rs. 36.23 crore

2. Long-term/Short-term facilities

2. A. Fund based limits

Sr. No.	Name of Bank	Type of facility	Rated Amount	Remarks
1.	Kotak Mahindra Bank	PBD	50.00	-
2.		EPC/PCFC	30.00	-
3.		FBD/FBP/FBN/PSCFC	30.00	-
4.		Sales Invoice Finance	30.00	-
5.		Over Draft	50.00	OD limit to the tune of Rs.40 crore shall be available for a period of 120 days from the date of disbursement of enhanced limits. The same shall be utilized for the takeover of existing facility. OD limit shall be reduced to Rs.10 crore after the period of 120 days from the date of disbursement of enhanced limits. Roll over OD limits.
6.	Proposed	PBD	9.00	-
	TOTAL		99.00	Total working capital exposure, including any ad-hoc limits, to be capped at Rs.90 crore (excluding proposed PBD facility of Rs.9 crore).

(Rs. Cr)

PBD-Purchase Bill Discounting; EPC-Export Packing Credit; PCFC-Packing Credit in Foreign Currency; FBD-Foreign Bills Discounting; FBP-Foreign Bills Purchase; FBN-Foreign Bills for Negotiation; PSCFC-Post shipment Credit in Foreign Currency

Amar Shah

2. B. Non Fund Based limits

(Rs. Cr)

Sr. No.	Name of Bank	Non Fund Based Limits	
		BG*	Tenure as per sanction letter
1	Proposed	4.50	Financial guarantee: Maximum 12 months plus claim period of 12 months; Performance guarantee: Maximum 24 months plus claim period of 12 months
	TOTAL	4.50	

*BG=Bank guarantee

Total Long-term/Short-Term facilities rated (2.A + 2.B) = Rs. 103.50 crore

3. Short-term facilities

3. A. Fund Based Limits

(Rs. Cr)

Sr. No.	Name of Bank	Type of facility	Rated Amount	Remarks
1.	IDFC Bank	Purchase Invoice Discounting	30.00	Tenor of 90 days from the date of discounting of invoices
	TOTAL	-	30.00	

3. B. Non Fund based limits

(Rs. Cr)

Sr. No.	Name of Bank	Non Fund Based Limits		
		LC *	Others (please specify)	Remarks
1	Proposed	5.50	-	Maximum 180 days of usance
	TOTAL	5.50		

*LC=Letter of credit

Total Short-Term facilities rated (3.A) = Rs. 35.50 crore

Total Bank Facilities Rated (1 +2 +3) = Rs. 175.23 crore

Arun Shah

Annexure 2
Press Release
Sayaji Industries Limited

Ratings			
Facility	Amount (Rs. crore)	Ratings¹	Rating Action
Long-term Bank Facilities	36.23	CARE BBB; Negative (Triple B; Outlook: Negative)	Revised from CARE BBB; Stable (Triple B; Outlook: Stable)
Long-term/Short-term Bank Facilities	103.50	CARE BBB; Negative/ CARE A3 (Triple B; Outlook: Negative/A Three)	Revised from CARE BBB; Stable/CARE A3 (Triple B; Outlook: Stable/A Three)
Short-term Bank Facilities	35.50	CARE A3 (A Three)	Reaffirmed
Total Bank Facilities	175.23 (Rs. One Hundred and Seventy Five crore and Twenty Three lakh only)		
Medium Term Instrument- Fixed Deposit Programme	30.00 (Rs. Thirty crore only)	CARE BBB (FD); Negative (Triple B (Fixed Deposit); Outlook: Negative)	Revised from CARE BBB (FD); Stable (Triple B; (Fixed Deposit); Outlook: Stable)

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings of the bank facilities/instruments of Sayaji Industries Limited (SIL) continue to derive strength from its experienced promoters along with established track record of more than seven decades of the company in maize processing industry, strong product profile with presence in value-added starch derivatives and established sales network with reputed and diversified clientele. The ratings further derive strength from SIL's moderate scale of operation with lean operating cycle and company management's articulation to monetize some of its non-core assets to support the operations of the company.

The ratings, however, continue to remain constrained on account of its moderate profitability, leveraged capital structure, moderate debt coverage indicators and modest liquidity. The ratings are

¹ Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

Aram Shah

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further constrained due to its presence in the competitive agro processing industry along with susceptibility of its profitability to volatile raw material price and foreign exchange fluctuation risk. The ratings are also constrained by its subdued performance during H1FY20 (FY refers to the period from April 1 to March 31); albeit the same is envisaged to improve going forward as per management's articulation.

Rating Sensitivities

Positive Factors

- Increase in scale of operations and improvement in profitability with PBILDT margin beyond 7% on sustained basis along with improvement in its debt coverage indicators
- Reduction in its overall gearing below 1.25 times

Negative Factors

- Continued pressure on profitability resulting in PBILDT margin below 3% on sustained basis
- Increase in adjusted overall gearing (after factoring in guaranteed debt) beyond 3 times on sustained basis
- Inability of the company to monetize its non-core assets within the envisaged timeline, thereby impacting the overall liquidity and debt coverage indicators of the company

Outlook: Negative

The outlook on the long-term rating of the bank facilities/fixed deposit instrument of SIL has been revised to "negative" on CARE's expectation of lower than previously envisaged profitability for FY20 on the back of elevated raw material (i.e. Maize) prices in the domestic market and high overhead cost. The outlook may be revised to 'Stable' in case of significant improvement in profitability along with timely monetization of its non-core assets as envisaged.

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Detailed description of the key rating drivers

Key Rating Strengths

Experienced promoters and established track record of more than seven decades of the company in the manufacturing of starch and starch derivatives along with demonstrated track record of fund infusion to support the operations of the company

Established in 1941, as Hindustan Colors and Chemicals, Sayaji Industries Limited (SIL) is one of the oldest maize processing companies in the country with track record of over seven decades. SIL is promoted by Mehta family and is presently managed by second and third generation viz. i.e. Mr. Priyam Mehta along with his son Mr. Varun Mehta and Mr. Vishal Mehta who have vast experience in the industry. Further, the team is assisted by tier-II staff which has been long associated with the company.

Over the years it has gradually developed facilities to manufacture modified starches and other value added starch derivatives like liquid glucose, dextrose, monohydrate, anhydrous dextrose (ADH), sorbitol, etc. During FY19, SIL had undertaken debt funded capital expenditure to increase capacity of its value added products i.e. sweetener plant (Sorbitol, Dextrose Monohydrate (DMH), Anhydrous Dextrose (ADH)) within its existing maize grinding capacity of 710 TPD (tonnes per day) which was completed in November, 2018. Total project cost was Rs.45 crore which was funded through term loan of Rs.35 crore and internal accruals of Rs.10 crore. Post expansion, total dextrose syrup manufacturing capacity increased from 145 TPD to 210 TPD by reducing liquid glucose manufacturing capacity from 90 TPD to 30 TPD and native starch capacity from 180 TPD to 175 TPD. SIL also has 4 MW of coal based power plant and 1.5 MW of gas based power plant which meets 60-70% of the company's internal power requirement.

Promoters have also promoted other entities namely N.B. Commercial Enterprises Limited [NBC], Sayaji Ingritech LLP (SIG) and Sayaji Seeds LLP [SSL] whereby SIL has extended its unconditional and irrevocable corporate guarantees for the debt availed by these entities. NBC is engaged in manufacturing of HDPE barrels catering to the demand of chemicals, food, pharmaceuticals and lube-oil among others mainly in Gujarat region. SIG is engaged in the manufacturing of spray dried food

AJ Anam Shah

products like tomato powder, gum arabic powder, cheese powder, fat based powder and non dairy creamer. SSL is engaged in the production and marketing of various seeds such as maize, castor, pearl millet, paddy, wheat, cotton, groundnut, soyabean, okra, bitter gourd and bottle gourd to farmers.

The promoters have also demonstrated their support to the operations of the company by infusing funds of Rs.21.16 crore through sale of their stake in a JV in FY19. They have further articulated their plans to infuse funds through sale of certain non-core real estate assets owned by SIL in FY20; out of which Rs.1.66 crore was already infused during Q1FY20.

Strong product profile with reputed and diversified clientele

There are multiple players in the corn starch manufacturing industry however; very few players have presence in all major starch derivatives, one of which is SIL. SIL's product portfolio includes maize starch and its various derivatives like liquid glucose, dextrose monohydrate, anhydrous dextrose (ADH), sorbitol and other by-products. It has maize grinding capacity of 710 TPD. Out of 710 TPD, SIL is able to recover 465 TPD of starch slurry which is utilized for producing maize starch powder (low margin product - forming 32% of TOI in FY19) and various derivatives including liquid glucose (low margin product - forming 13% of TOI in FY19) along with higher margin products such as sorbitol (forming 19% of TOI in FY19), Dextrose Anhydrous (ADH - forming 9% of TOI in FY19) and Dextrose Monohydrate (DMH - forming 3% of TOI in FY19). By-products include Hydrol, Maize Gluten, Maize Oil, Oil Cake, Corn Steep Liquor, etc. which contributed 22% of TOI in FY19. These products find application in diverse industries viz. textile, paper, pharmaceuticals, food and confectionery, cosmetic, paint as well as for poultry and animal feeds.

Over the years, SIL has established strong marketing and procurement network. It has presence in domestic as well as export markets. It exports to various countries like Oman, Yemen, Sudan, Sri Lanka and Saudi Arabia with exports forming 18% of its standalone TOI in FY18 as well as FY19. In domestic market it has offices in Kolkata, Chennai and Delhi. SIL has reputed and diversified clientele including reputed companies like Colgate Palmolive India Limited, Hindustan Unilever Limited, FDC Limited, Zydus Wellness Limited, Arvind Limited, etc. During FY19, sales to top 10 customers comprised around

Adnan Shah

25% of net sales (standalone) as compared to 26% of net sales (standalone) in FY18 reflecting its diversified customer base.

Moderate scale of operation with lean operating cycle

On a consolidated level, TOI of SIL grew from Rs.590.80 crore in FY18 to Rs.648.76 crore in FY19 on the back of increase in sales realization with increase in maize prices; however, in terms of quantity the production remained stable. Domestic sales grew from Rs.487.00 crore in FY18 to Rs.532.94 crore in FY19 while export sales grew marginally from Rs.106.60 crore in FY18 to Rs.111.11 crore in FY19 due higher maize price in domestic market which reduced the competitiveness in the export market. SIL's standalone income (TOI of Rs.626.05 crore in FY19) continued to be the major contributor to the company's consolidated TOI (Rs.648.76 crore in FY19), with around 96% share (99% in FY18).

SIL had lean operating cycle of 27 days in FY19 (FY18: 27 days). It generally keeps maize inventory for 20-30 days and procures raw material from major maize producing states i.e. Karnataka, Andhra Pradesh, Tamilnadu, Bihar and Uttar Pradesh. Collection period also remained comfortable at 24 days in FY19.

Key Rating Weaknesses

Moderate profitability with net loss in Q2FY20

On consolidated basis, SIL has moderate profitability marked by profit before interest, lease, depreciation and tax (PBILDT) margin of 5.30% in FY19 as compared to 5.42% in FY18. Profit after tax (PAT) margin however, increased from 1.24% in FY18 to 3.90% in FY19 on the back of extraordinary income of Rs.21.16 crore in FY19 from the stake sale in one of its joint venture. Excluding this extraordinary income, PAT margin remained thin due to high interest and depreciation cost owing to capex and increased working capital borrowings. Overall profitability remains moderate and lower compared to industry peers owing to lower proportion of value added products and high employee costs. Also, SIL has its manufacturing facility at Ahmedabad, Gujarat which is located far from maize cultivating regions. However, locational disadvantage of being distant from the maize-cultivating

Atnam Shah

regions is partly offset by proximity to various end customers (textile and pharmaceuticals) in Western India.

PBILDT margin, however, declined from 3.22% during Q1FY20 to 1.23% during Q2FY20 (6.00% in Q2FY19) due to increase in the raw material (maize) price along with disruption in production for few days on account of maintenance of boiler, higher power cost due to lower gas based capital power generation (same was affected due to stoppage in digesters where the bio-organic processes and microbes have been washed out and were replaced) as well as higher provision related to employee benefits. With lower PBILDT and marginal increase in interest and finance cost, SIL reported loss of Rs.3.73 crore during Q2FY20 at PAT level as compared to net profit of Rs.0.35 crore (this includes extraordinary income of Rs.1.66 crore) in Q1FY20. However, as articulated by the management, with the arrival of new crop (from November 2019) in the market, the raw material (maize) price is expected to moderate which is likely to benefit SIL in coming quarters.

Leveraged capital structure and moderate debt coverage indicators

SIL had leveraged capital structure marked by adjusted overall gearing (after factoring in guaranteed debt) of 2.07 times as on March 31, 2019 (2.52 times as on March 31, 2018) which deteriorated to 2.54 times as on September 30, 2019 due to increase in total debt and reduction in net-worth base of the company with losses incurred during Q2FY20. Total debt had exhibited an increasing trend from Rs.165.84 crore as on March 31, 2019 to Rs.191.08 crore as on September 30, 2019. Debt profile of SIL as on September 30, 2019 includes working capital borrowings of Rs.108.28 crore, term loan of Rs.38.33 crore, fixed deposit of Rs.24.68 crore and inter-corporate deposit of Rs.3.78 crore along with guaranteed debt of NBC of Rs.16.01 crore. Fixed deposit are mainly from directors, friends, employees and public which had exhibited an increasing trend in past five years with majority of them getting rolled over at maturity. SIL had moderate debt coverage indicators as on March 31, 2019 marked by total debt to gross cash accruals (TDGCA) of 4.24 times and PBILDT interest coverage of 2.81 times in FY19. Debt coverage indicators, however, deteriorated significantly during H2FY20 on the back of decline in profitability and cash losses reported by the company. Debt coverage indicators are, however, expected to remain at moderate level in FY20.

Ahmed Khan

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Presence in the competitive agro processing industry with susceptibility to volatile raw material price and foreign exchange fluctuation risk

Maize processing industry is highly competitive with presence of few large payers and large number of unorganized players. Maize seed is the key raw material which accounted for 60-65% of total cost and Maize being an agriculture-based input; the operations of player like SIL are vulnerable to inherent risks associated with volatility in agri-based inputs prices as arising from vagaries of the monsoon, acreage under cultivation, crop yield level and global demand-supply mismatches. Furthermore, the prices of agricultural commodities are also controlled by the Government through setting of minimum support price (MSP). SIL derived 18% of its income from export sales in FY19. It generally hedges 50-60% of its receivables by forward contracts whereas balance portion is exposed to adverse movement in foreign exchange.

Liquidity - Stretched

SIL's liquidity is stretched marked by modest cash accruals against its debt repayment obligation, negative cash flow from operations and below unity current ratio. Cash flow from operation was negative at Rs.15.14 crore during Q2FY20 as compared to positive cash flow from operation of Rs.22.77 crore during FY19. However, it derives cushion from its moderate average fund based working capital utilization of 73% for past twelve months ended October 2019. It also had cash and bank balance of Rs.1.14 crore as on September 30, 2019. To support the company's liquidity, the management has articulated its plans to monetize non-core assets (real estate properties) of the company during FY20, timely realization of which will be crucial from the liquidity perspective.

Analytical approach: Consolidated financials of Sayaji Industries Limited (SIL) along with factoring in debt backed by its corporate guarantee. SIL has extended its unconditional and irrevocable corporate guarantee for the bank facilities to subsidiary i.e. SSL, its joint venture (JV) i.e. SSG and its associate concern i.e. NBC. *List of entities getting consolidated in SIL is placed at Annexure-3.*

Applicable Criteria

Criteria on assigning 'Outlook' and 'credit watch' to Credit Ratings

CARE's Policy on Default Recognition

Criteria for Short Term Instruments

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Rating Methodology: Consolidation and Factoring Linkages in Ratings

Criteria for rating Credit Enhanced Debt

CARE's methodology for manufacturing companies

Financial ratios – Non-Financial Sector

About the Company

Incorporated in 1941, SIL (CIN: L99999GJ1941PLC000471) is one of the oldest maize processing companies in India which was promoted by Ahmedabad based Mehta family and is presently managed by second and third generation of the family i.e. Mr. Priyam Mehta along with his son Mr. Varun Mehta and Mr. Vishal Mehta. SIL is engaged in the manufacturing of maize starch and its downstream value added products viz. liquid glucose, dextrose monohydrate, anhydrous dextrose, sorbitol and other by-products which find application in diverse industries like textile, chemical, process foods, pharmaceutical, paints and other industry. Its manufacturing facility is located at Kathwada, Ahmedabad having installed capacity of 710 TPD of maize processing as on March 31, 2019.

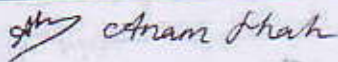
SIL has a subsidiary SSL, a JV i.e. SIG and an associate concern i.e. NBC which had reported TOI of Rs.12.51 crore, Rs.11.20 crore and Rs.79.18 crore respectively in FY19. Further, Sayaji group has presence in real estate business through Sayaji Samruddhi LLP.

Brief Financials (Rs. Crore)- Consolidated	FY18 (A)	FY19 (A)
Total operating income	590.80	648.76
PBILDT	32.01	34.38
PAT	7.34	25.30
Overall gearing (times)	2.52	2.07
PBILDT Interest coverage (times)	2.57	2.81

A: Audited

Based on published consolidated results for H1FY20, SIL has reported TOI of Rs.323.39 crore (H1FY19: Rs.308.36 crore) with PAT of (-) Rs.3.38 crore (H1FY19: 23.46 crore).

Brief Financials (Rs. Crore)- Standalone	FY18 (A)	FY19 (A)
Total operating income	582.52	626.05
PBILDT	30.07	32.88
PAT	6.12	25.20
Overall gearing (times)	2.48	2.05

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CARE Ratings Limited

Brief Financials (Rs. Crore)- Standalone	FY18 (A)	FY19 (A)
PBILDT Interest coverage (times)	2.55	2.87

A: Audited

Based on published standalone results for H1FY20, SIL has reported TOI of Rs.313.91 crore (H1FY19: Rs.297.81 crore) with PAT of (-) Rs.3.11 crore (H1FY19: 23.57 crore).

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	October, 2025	36.23	CARE BBB; Negative
Fund-based - LT/ ST-Working Capital Limits	-	-	-	99.00	CARE BBB; Negative / CARE A3
Non-fund-based - ST-Letter of credit	-	-	-	5.50	CARE A3
Non-fund-based - LT/ ST-Bank Guarantees	-	-	-	4.50	CARE BBB; Negative / CARE A3
Fund-based - ST-Bills discounting/ Bills purchasing	-	-	-	30.00	CARE A3
Fixed Deposit	-	-	12-36 months	30.00	CARE BBB (FD); Negative

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings		Rating history				
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	36.23	CARE BBB; Negative	1) CARE BBB; Stable (04-Sep-19)	1) CARE BBB; Stable (11-Mar-19) 2) CARE BBB; Stable (24-Oct-18)	-	-

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CARE Ratings Limited

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CIN-L67190MH1993PLC071691

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
2.	Fund-based - LT/ ST- Working Capital Limits	LT/ST	99.00	CARE BBB; Negative / CARE A3	1)CARE BBB; Stable / CARE A3 (04-Sep-19)	1)CARE BBB; Stable / CARE A3 (11-Mar-19) 2)CARE BBB; Stable / CARE A3 (24-Oct-18)	-	-
3.	Non-fund-based - ST- Letter of credit	ST	5.50	CARE A3	1)CARE A3 (04-Sep-19)	1)CARE A3 (11-Mar-19) 2)CARE A3 (24-Oct-18)	-	-
4.	Non-fund-based - LT/ ST-Bank Guarantees	LT/ST	4.50	CARE BBB; Negative / CARE A3	1)CARE BBB; Stable / CARE A3 (04-Sep-19)	1)CARE BBB; Stable / CARE A3 (11-Mar-19) 2)CARE BBB; Stable / CARE A3 (24-Oct-18)	-	-
5.	Fund-based - ST-Bills discounting/ Bills purchasing	ST	30.00	CARE A3	1)CARE A3 (04-Sep-19)	1)CARE A3 (11-Mar-19)	-	-
6.	Fixed Deposit	LT	30.00	CARE BBB (FD); Negative	1)CARE BBB (FD); Stable (04-Sep-19)	-	-	-

Annexure-3: List of subsidiaries and joint ventures of SIL getting consolidated

Sr. No.	Name of the Company	% holding by SIL@
1.	Sayaji Ingritech LLP	50.00%
2.	Sayaji Seeds LLP	92.20%
3.	Sayaji Corn Products Limited	99.99%

@as on September 30, 2019; however, Sayaji Corn Products Limited is non-operational.

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Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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Disclaimer

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Akhil Goyal

