

May 08, 2026

Sensitive Industries: [ICRA]B+ (Stable); Assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based – Cash credit	1.50	[ICRA]B+ (Stable); Assigned
Long-term – Unallocated limits	0.50	[ICRA]B+ (Stable); Assigned
Total	2.00	

*Instrument details are provided in Annexure II

Rationale

The assigned rating factors in the extensive experience of the promoters of Sensitive Industries (SI/ firm) and the firm's established track record in the manufacturing of diesel engines, pump sets, and hydraulic castings. Over the years, the firm has developed operational expertise and stable relationships across its business segments. SI caters to a diversified end-user base, including water management and irrigation, hydraulics (automobile, off-highway, and aerospace), and power generation sectors, which provides some diversity across industries.

The rating is, however, constrained by the company's moderate scale of operations and limited financial flexibility. The company reported revenues of Rs. 24.6 crore in FY2026 and Rs. 21.2 crore in FY2025, which continues to restrict the benefits from economies of scale. Further, profitability and net worth have remained modest over the years, limiting the company's ability to absorb business or margin volatility. The ratings are also constrained by SI's exposure to fluctuations in raw material prices. Additionally, its customer profile remains concentrated, with around 60–70% of its revenues derived from the top five customers in FY2025 and FY2026. The firm remains susceptible to the risks associated with its status as a partnership firm, including the risk of capital withdrawal.

The Stable outlook reflects ICRA's expectation that the company will continue to benefit from its established operational track record and market position. The outlook also factors in ICRA's expectation that the firm will undertake capital expenditure in a manner commensurate with the existing credit metrics.

Key rating drivers and their description

Credit strengths

Extensive experience of promoters – The promoter has over four decades of experience in the casting industry, which has helped the firm develop a strong understanding of industry dynamics and maintain healthy relationships with customers and suppliers. The promoter family is also associated with another group entity, Spin Craft Precision Private Limited, which is engaged in the manufacturing of bearing sleeves, planetary components, and other casting and machined components.

Established customer base – Backed by decades of experience and technical expertise, the firm manufactures precision pumps and engines catering to multiple end-use sectors, including water management and irrigation, hydraulics, and power generation. The company supplies hydraulic castings to major global players for automotive and off-highway hydraulics, as well as select aerospace applications. Notably, the firm serves as a sole global supplier for certain critical castings, including components used in landing gear systems. In the export market, the company has an established presence in West Africa through a warehouse in Lagos, Nigeria serving countries such as Nigeria, Ghana, Burkina Faso, and Niger; however, export revenues remain modest.

Credit challenges

Modest scale of operations – The company’s scale of operations remained moderate, with revenues of Rs. 24.6 crore in FY2026 and Rs. 21.6 crore in FY2025. The modest scale, coupled with a limited net worth base, makes the company vulnerable to business downturns and constrains economies of scale and market position.

High customer concentration – SI derives around 60–70% of its revenues from its top five customers, resulting in high customer concentration risk. However, the company’s established relationships with these customers and continued new product development provide comfort to an extent. Further, the management’s efforts to diversify the customer base through expansion of the product portfolio and market presence are expected to support the business profile, going forward.

Profitability is exposed to volatility in raw material prices – The key raw materials include crank case, cylinder block, fly wheel, fuel pump, CRC scrap and copper scrap. The company procures these materials from customer-approved vendors, with price negotiations largely undertaken by its customers, enabling the pass-through of major fluctuations in raw material prices; however, any sharp changes in metal prices may still affect its operating profit margin. The procurement profile remains predominantly domestic, and the company does not follow any formal hedging mechanism.

Inherent risk of being a partnership firm – The firm remains exposed to the risk of capital withdrawals by the partners, which could adversely impact its capital structure. Any significant withdrawal may create funding gaps and increase reliance on external borrowings. Further, dissolution of the firm upon the death, retirement, or insolvency of a partner could affect its net worth and, consequently, its capital profile.

Liquidity position: Stretched

The firm’s liquidity profile remains stretched, marked by limited headroom in working capital limits and volatile cash flows. The small size of the cash credit facility of Rs. 1.5 crore constrains the business expansion, while any large capex or significant partner withdrawals could materially strain the available cash balance and operating surplus.

Rating sensitivities

Positive factors – The ratings could be upgraded if there is a material increase in revenue and earnings, leading to improvement in the debt coverage metrics and liquidity position on a sustained basis.

Negative factors – Pressure on the ratings could arise if there is a material decline in revenues and earnings or any significant debt-funded capex or large capital withdrawal or increase in working capital cycle weakens the debt coverage indicators and liquidity position.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Sensitive Industries, founded in 1968 by Shri Gordhanbhai Jalavadia and his brothers, is engaged in manufacturing diesel engines, centrifugal pumps, and Spheroidal Graphite iron castings. The company caters to a wide range of applications in various sectors, including irrigation, water management, flood control, hydraulic infrastructure, and power generation. Its

products are marketed under the well-recognised brands, Satyajeet, Sonet, and Imex. The manufacturing facility, spread over approximately 8,200 square yards, is located in the industrial area of Rajkot, Gujarat.

Key financial indicators (audited)

Sensitive Industries (Standalone)	FY2025	FY2026*
Operating income	21.2	24.6
PAT	0.4	0.5
OPBDIT/OI	10.2%	12.3%
PAT/OI	1.8%	2.1%
Total outside liabilities/Tangible net worth (times)	1.4	1.5
Total debt/OPBDIT (times)	6.8	4.9
Interest coverage (times)	1.0	1.1

Source: Company, ICRA Research; * Provisional numbers submitted by the company; All ratios as per ICRA's calculations; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs crore)	May 8, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund-based-Cash credit	Long Term	1.50	[ICRA]B+ (Stable)	-	-	-	-	-	-
Unallocated limits	Long Term	0.50	[ICRA]B+ (Stable)	-	-	-	-	-	-

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA-rated instruments fall under the regulatory purview of various Financial Sector Regulators (FSRs), as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI

15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under the regulatory purview of various FSRs, as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSRs other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term-Fund-based-Cash credit	Simple
Long-term-Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Cash credit	NA	NA	NA	1.50	[ICRA]B+ (Stable)
NA	Unallocated limits	NA	NA	NA	0.50	[ICRA]B+ (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis – Not applicable

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