

May 14, 2026

BOMBAY SUPER HYBRID SEEDS LIMITED: Rating assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long - term fund based - Cash credit	121.50	[ICRA]BBB+ (Stable); assigned
Long - term - Unallocated limits	23.50	[ICRA]BBB+ (Stable); assigned
Total	145.00	

*Instrument details are provided in Annexure II

Rationale

The assigned rating for Bombay Super Hybrid Seeds Limited (BSHSL) factor in the company's established operating track record of over three decades in the agricultural seeds segment, along with a healthy financial risk profile and strong distribution network. The company's operating income has grown steadily over the last few years, increasing to Rs. 359.5 crore in FY2025 from Rs. 171.7 crore in FY2021, driven by higher seed volumes and expansion of the distributor network. Though the revenues witnessed some moderation in 9M FY2026, they continue to be healthy.

The ratings also draw comfort from the company's stable operating margins at 10.1% in 9M FY2026 (9.3% in FY2025). BSHSL's debt coverage indicators remain comfortable, supported by limited long-term borrowings, while the overall borrowings have been largely utilised towards working capital requirements. The company's capital structure remains comfortable, with dependence predominantly on working capital facilities and support from internal accruals.

The ratings further factor in the extensive experience of the promoters, the company's established dealer-distributor and farmer network across major crop-growing regions, and its in-house R&D efforts augmented by collaborations with leading research institutes. These strengths support product acceptance and lend stability to demand.

The ratings are, however, constrained by high product and geographic concentration, with the revenues concentrated across a limited number of seeds and a few states. The company also remains susceptible to agro-climatic risks, given its dependence on monsoon conditions and seasonal demand patterns. Additionally, the company faces competitive pressure in the fragmented seeds industry and remains exposed to the working capital-intensive nature of operations, reflected in an elongated operating cycle inherent to the business.

The Stable outlook reflects ICRA's expectation that BSHSL will sustain its operating performance, supported by promoter experience and established distribution network.

Key rating drivers and their description

Credit strengths

Established track record with healthy distribution network - BSHSL has a well-established operating track record of over three decades in the seeds segment, supported by promoter experience. The company, incorporated in 1983, is led by Mr. Arvind Kakadia, who has over two decades of experience in seed processing and marketing. The company has developed a wide dealer-distributor network across major crop growing states. BSHSL works with over 5,000 farmers across more than 20 states and has a distribution network of over 1,200 distributors.

Healthy financial risk profile - BSHSL maintains a comfortable capital structure, with borrowings largely comprising working capital facilities and limited long-term debt. The company's total debt/TNW stood at 0.9x as on March 31, 2025 (0.6x as on March 31, 2024), while the interest coverage remained healthy at 5.4x in FY2025. The capital structure is supported by a steady growth in scale, with the operating income increasing to Rs. 359.5 crore in FY2025 from Rs. 171.7 crore in FY2021, driven by higher seed volumes and expansion in distribution reach. Though the revenues witnessed some moderation in 9M FY2026, they continue to be healthy. The operating margins remained stable at 10.1% in 9M FY2026 (9.3% in FY2025).

Credit challenges

High working capital intensity - The seeds business is inherently working capital-intensive, requiring significant inventory holding due to the long production cycles and the seasonal demand patterns. The inventory holding remained elevated at 233 days in FY2024 and 224 days in FY2025. Consequently, the working capital cycle remained elongated with NWC/OI of 49.7% in FY2025, resulting in higher dependence on working capital financing, particularly during the peak sowing seasons.

High product and geographic revenue concentration - Despite being present in more than 20 states, a sizeable portion of BSHSL's revenues remains concentrated across a limited number of seeds and a few states. Groundnut seeds accounted for about 53% of the revenues in FY2025 and 44% in 9M FY2026. Further, Gujarat and Maharashtra together contributed nearly 75% to the revenues in FY2025 as well as 9M FY2026. The company is present in other segments such as vegetable seeds and field crops, which include gram seeds, cumin seeds, soyabean seeds, wheat seeds and others. This concentration exposes the company to crop-specific and regional risks.

Exposure to agro climatic risk and Competitive nature of the industry - The company's operations remain susceptible to uncertainties inherent in the agricultural sector, such as dependence on monsoon, weather fluctuations and pest attacks. These factors can influence sowing decisions, farmer demand and seed offtake, resulting in variations in revenues and inventory levels. Additionally, the seed industry is competitive and fragmented, with the presence of large domestic players and MNCs, which can limit pricing flexibility and intensify the competition.

Liquidity position: Adequate

The liquidity is expected to be adequate, supported by healthy cash flow from operations, limited long-term debt and the absence of major repayment obligations. While the business remains working-capital-intensive due to the high inventory requirements and seasonality, the liquidity is supported by moderate utilisation of the sanctioned working capital limits, with an average utilisation at 66% of the sanctioned limits from November 2024 to March 2026. The borrowings have largely been working capital driven, providing flexibility to manage the seasonal funding requirements. The company does not have any major capex plans and the scheduled repayment obligation of Rs. 0.78 crore in FY2027 will be comfortably met from the operational cash flows.

Rating sensitivities

Positive factors – The rating could be upgraded if company increases its scale and shows a sustained improvement in earnings while maintaining healthy debt coverage metrics and liquidity position.

Negative factors – Pressure on the ratings could arise if the revenues and margins decline significantly on a sustained basis, or if any stretch in the working capital cycle impacts its liquidity position. A specific credit metric that could lead to a downgrade includes an interest coverage ratio of below 4.0 times on a sustained basis.

Analytical approach

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

About the company

Rajkot-based Bombay Super Hybrid Seeds Limited (BSHSL) was established in 1990 as a partnership firm under the name Patel Jadavjibhai Devrajibhai and was subsequently incorporated as Bombay Super Hybrid Seeds Private Limited in 2014. The company was later converted into a public limited entity and got listed on the NSE on September 14, 2017.

BSHSL is promoted and managed by Mr. Arvind Kakadia and Mr. Kirit Kakadia. The company is engaged in the processing and marketing of seeds for crops such as groundnut, coriander, cumin, rajka, gram, wheat, sesame, vegetables, and other agro seeds. Its products are sold under the brand name of Bombay Super Seed.

Key financial indicators (audited)

BSHSL (standalone)	FY2024	FY2025	9M FY2026*
Operating income	257.3	359.5	287.3
PAT	22.2	26.4	22.2
OPBDITA/OI	11.2%	9.3%	10.1%
PAT/OI	8.6%	7.3%	7.7%
Total outside liabilities/Tangible net worth (times)	1.1	1.1	-
Total debt/OPBDITA (times)	1.7	2.8	-
Interest coverage (times)	6.3	5.4	6.7

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

Status of non-cooperation with previous CRA:

Rating agency	Rating	PR date
CARE	CARE BBB-; Stable; ISSUER NOT COOPERATING/CARE A3; ISSUER NOT COOPERATING	March 25, 2026

Source: CARE press release

Any other information: None

Rating history for past three years

Current (FY2027)			Chronology of rating history for the past 3 years							
			FY2027		FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Cash credit	Long term	121.50	May 14, 2026	[ICRA]BBB+ (Stable)	-	-	-	-	-	-
Unallocated limits	Long term	23.50	May 14, 2026	[ICRA]BBB+ (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 regulatory purview of various Financial Sector Regulators (FSR) 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 regulatory purview of various Financial Sector Regulators (FSR) 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 Financial Sector Regulators 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	Long term fund based – Cash credit	NA	NA	NA	121.50	[ICRA]BBB+ (Stable)
NA	Long term – Unallocated limits	NA	NA	NA	23.50	[ICRA]BBB+ (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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