

July 7, 2026

## Saj Food Products Pvt. Ltd.: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. Crores)	Current rated amount (Rs. Crores)	Rating action
Long-term/ Short-term – Unallocated	95.0	95.0	[ICRA]AA- (Stable)/[ICRA]A1+; Reaffirmed
<b>Total</b>	<b>95.0</b>	<b>95.0</b>	

\*Instrument details are provided in Annexure II

### Rationale

The ratings reaffirmation continues to factor in the established track record of Saj Food Products Pvt. Ltd. (SFPPL) in the biscuit manufacturing business and the strong market position of its brand, Bisk Farm, in eastern and northeastern India, supported by the Group's four decades of experience in the distribution of FMCG and pharmaceutical products. The ratings also draw comfort from SFPPL's healthy financial profile, characterised by robust leverage and coverage metrics (currently debt-free), healthy ROCE and low working capital intensity of operations. The company's liquidity position remains strong, supported by a large cash and liquid investment balance of around Rs. 450 crore as of March 2026 (provisional). ICRA notes a favourable long-term demand outlook for the domestic biscuits industry, notwithstanding its exposure to cyclicity in consumer demand. In FY2026 (estimated) the company's operating income grew by around 11%, driven primarily by a more than 7% increase in realisations, along with higher sales volumes. The operating profit margin (OPM) also improved by over 40 basis points (bps) YoY to around 9.86% (estimated), supported by calibrated price increases undertaken in FY2025, largely in Q4. Although liquefied petroleum gas (LPG) prices have increased significantly in the current fiscal due to the West Asia conflict, ICRA does not expect any material deterioration in the company's OPM, given the various initiatives undertaken by the company towards improving operating efficiency, portfolio rejig, cost control, and supply-chain optimisation. However, margins will remain sensitive to raw material price volatility and the company's ability to pass on cost escalations. The company's ongoing greenfield project in Assam (72,450 TPA) has been further deferred beyond April 2026 amid a slow recovery in demand, with commissioning now expected in the current fiscal. The total project cost remains around Rs. 200 crore, of which around Rs. 148 crore has already been incurred till March 2026. The project is being fully funded through internal accruals following prepayment of the earlier availed term loan, reflecting the company's strong liquidity position. Post commissioning, the facility is expected to support revenue growth, enhance geographical diversification and reduce logistics and distribution costs for the North East region, which currently contributes 23-24% to SFPPL's sales, thereby supporting margins.

The ratings are, however, constrained by intense competition from the unorganised players as well as other established peers, which is likely to keep their margins under check along with the high sensitivity of profitability of biscuit manufacturers, including SFPPL, to fluctuations in input costs (prices of raw materials, packaging materials, fuel, etc.). The company also remains exposed to geographical concentration risk as the major portion of its revenue is derived from the eastern and northeastern states, with a high sales concentration particularly in West Bengal. The company would also remain exposed to the project execution and stabilisation risks associated with the ongoing capacity expansion in Assam, though such risks are mitigated to some extent by the management's experience of successfully executing such projects in the past.

The Stable outlook reflects ICRA's opinion that SFPPL will continue to maintain a conservative capital structure and healthy debt protection metrics, despite regular investments towards capacity expansion. The company's business returns are also likely to remain healthy, despite vulnerability to input cost fluctuations.

## Key rating drivers and their description

### Credit strengths

**Established track record in biscuit manufacturing and strong market position in eastern and northeastern India** – The Group has been involved in biscuit manufacturing business for more than two decades. Over the years, the company has included other bakery products like cakes, cookies, pastries, bread rusks, savouries, croissants, extruded snacks, wafers as well as Indian snacks in its product portfolio, though biscuit remains the mainstay of SFPPL's business. Its Bisk Farm brand has a strong presence in eastern and northeastern states. Prior experience of the promoters in the distribution of FMCG and pharmaceutical products of reputed brands for around four decades helped it in successfully penetrating the bakery market and building the brand. SFPPL sells its products through many channel partners including 259 super stockists, 2,749 distributors/sub-stockists and around 3.6 lakh retailers spread across the country. The company currently has 188 stock keeping units (SKUs). The company's strategy includes launching 10-12 new products annually to align its portfolio with evolving consumer preferences.

**Robust financial profile, characterised by conservative capital structure, strong debt coverage metrics and healthy ROCE** – The company's limited reliance on external borrowings vis-a-vis its healthy net worth led to a conservative capital structure, as reflected by its low gearing (within 0.1 times) and TOL/TNW (0.2-0.6 times) since FY2020. The company's debt as on March 31, 2026 comprised lease liabilities only, and its net debt remained negative in the recent years because of sizeable free cash and liquid investments. SFPPL's conservative capital structure and healthy profits led to strong debt coverage metrics and are expected to remain strong, going forward in the absence of external borrowings. The operating profit margin (OPM) of the company improved by over 40 basis points (bps) YoY to around 9.86% (estimated) in FY2026, supported by calibrated price increases undertaken in FY2025, largely in Q4. The company's ROCE has remained robust over the years. While rising net worth, driven by significant accretion to reserves, may lead to some moderation in the current fiscal, it is expected to remain above 20%, supported by sizeable absolute profits relative to capital requirements for fixed assets and working capital.

**Low working capital intensive nature of business supports liquidity** – The company's sales are mostly made against advance payment basis. Its raw material inventory holding period is low because of tie-ups with local suppliers. However, moderate level of finished goods and packaging material stocks are maintained to ensure smooth operation and distribution. A nominal receivable, limited inventory coupled with moderate credit availed from suppliers supported SFPPL's liquidity and kept its net working capital relative to the operating income at a very low level of 2-4% in the last few years.

**Favourable demand outlook of the Indian biscuit industry** – With increasing urbanisation and changing lifestyle, the demand outlook for biscuits in the country is likely to remain favourable, given the low per-capita consumption at present. This is likely to support revenue growth for biscuit players like SFPPL that have an established brand presence.

### Credit challenges

**Susceptibility to fluctuation in input prices** – The raw materials required for manufacturing biscuits are wheat flour, sugar, edible refined hydrogenated vegetable oil (mainly palm oil), skimmed milk powder (SMP), flavours, preservatives etc. The company also consumes a significant volume of packaging materials and needs fuels like furnace oil and LPG. The prices of flour, sugar and oil are highly dependent on both agro-climatic conditions and Government policies and thus are subject to considerable volatility. Prices of packaging materials and fuels remain linked to crude oil prices, which also exhibit significant volatility, thus impacting SFPPL's margins. Its OPM improved by over 40 bps YoY to around 9.86%, supported by calibrated price increases in FY2025, majorly in Q4. Despite current elevated LPG prices, margins are not expected to deteriorate materially due to operational and cost optimisation measures undertaken by the entity, though they remain sensitive to raw material price volatility and pass-through ability.

**Limited geographical diversification** – The eastern and northeastern region together contribute 88% (in FY2026, provisional) to the company's sales at present, reflecting geographical concentration of its revenues. The company has a firm footprint in West Bengal, which alone contributes around 47% to the company's sales. The Bangalore unit, which is SFPPL's latest plant set up outside West Bengal, in March 2022, continued to record a low capacity utilisation of 18% in FY2026, but is expected to ramp up gradually.

**Intense competition from unorganised and established players likely to keep margins under check** – The company remains exposed to stiff price-based competition from other established players and various small biscuit manufacturers as a significant portion of its revenue is generated from the highly price-sensitive sub-brands. Hence, SFPPL's limited pricing flexibility is likely to keep its margins under check.

**Exposure to project execution as well as stabilisation risks related to the ongoing capital expenditure programme** – The company is setting up a new plant in Guwahati, Assam with a proposed capacity of 72,450 tonnes per annum (TPA). The cost of the project has been estimated at Rs. 200 crore, which is currently being funded entirely from internal accruals. Previously, the company tied up a term loan of Rs. 125 crore for the project and partially availed the loan. However, subsequently it was prepaid. The plant's commissioning was earlier scheduled in April 2025 but has been deferred by a year due to sluggish demand conditions and is now expected to be commissioned in FY2027. The northeast region is a key market for SFPPL, contributing 23-24% to the total revenues. This region is currently being catered to by the Siliguri plants, which entail significant transportation costs. Thus, the upcoming Assam plant will increase the company's geographical reach, reduce distribution costs, and increase brand recognition. While this exposes the entity to project execution and plant stabilisation risks, the company's demonstrated track record of setting up such facilities in the past provides comfort.

### Liquidity position: Strong

SFPPL's liquidity position remains Strong. It had free cash and liquid investments of around Rs. 450 crore as on March 31, 2026. The company's cash flow from operations in FY2026 stood at over Rs. 150 crore, which increased from around Rs. 88 crore in FY2025 and it is estimated to remain healthy at around Rs. 140 crore in FY2027. The company's pending capex of Rs. 50-60 crore for the Assam plant is likely to be incurred in FY2027. There is no further major capex plan at present, other than maintenance capex for replacement and modification of the existing facilities. The moderate capex vis-à-vis the healthy cash flow from operations and absence of any debt repayment obligation (excluding lease liabilities) are likely to keep the liquidity profile strong. SFPPL's sizeable free cash and liquid investment portfolio, strong cash accruals and adequate borrowing power would support its liquidity in case of any further major capacity expansion through organic or inorganic routes.

### Rating sensitivities

**Positive factors** – ICRA may upgrade the long-term rating if the company is able to geographically diversify its operations and demonstrate a significant improvement in its scale of operations and cash accruals on a sustained basis.

**Negative factors** – Any significant deterioration in the profit margin, weakening the company's cash generation along with higher-than-anticipated debt-funded capital expenditure or acquisitions, impacting the liquidity position, may result in ratings downgrade. A specific trigger for ratings downgrade will be Debt to OPBDITA of more than 1.5 times on a sustained basis.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">FMCG</a>
Parent/Group support	Not applicable
Consolidation/Standalone	The ratings are based on the standalone financials of the company

## About the company

Saj Food Products Private Limited (SFPPL), incorporated in 2000, manufactures biscuits and sells them under the Bisk Farm brand. SFPPL is a part of the Kolkata-based Aparna Group, which was promoted by Late K. D. Paul. It is an established distribution house for FMCG as well as pharmaceutical products in eastern India for around four decades. Over the years, SFPPL increased its product offerings and introduced other food products such as cakes, cookies, pastries, bread rusks, savouries, croissants, extruded snacks, wafers as well as Indian snacks. The company sells Indian snacks products under the brand, Indiaah. SFPPL has six manufacturing units, including four in West Bengal (Uluberia, Sankrail, and two units in Siliguri), one in Nagpur, Maharashtra, and one in Bangalore, which started operations in March 2022. The company has a combined production capacity of 2,42,225 tonnes per annum (TPA). SFPPL is in the process of setting up a new manufacturing facility in Guwahati, Assam with an installed capacity of 72,450 TPA, expected to be commissioned in FY2027. This facility will be equipped to manufacture biscuits, cakes, rusks, croissant and Indian snacks.

## Key financial Indicators

SFPPL	FY2024	FY2025	FY2026*
<b>Operating income</b>	1,587.2	1,671.4	1,854.3
<b>PAT</b>	176.7	119.1	131.0
<b>OPBDIT/OI</b>	16.4%	9.4%	9.9%
<b>PAT/OI</b>	11.1%	7.1%	7.1%
<b>Total outside liabilities/Tangible net worth (times)</b>	0.2	0.1	0.2
<b>Total debt/OPBDIT (times)</b>	0.1	0.1	-
<b>Interest coverage (times)</b>	78.2	84.4	-

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

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Instrument	Current ratings (FY2027)				Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. Crore)	FY2027		FY2026		FY2025		FY2024	
			Date	Rating	Date	Rating	Date	Rating	Date	Rating
Term loans	Long term	-	-	-	-	-	-	-	Mar 11, 2024	[ICRA]AA-(Stable)
									Apr 06, 2023	[ICRA]AA-(Stable)
Unallocated	Long/Short Term	95.0	Jul 7, 2026	[ICRA]AA-(Stable)/[ICRA]A1+	May 30, 2025	[ICRA]AA-(Stable)/[ICRA]A1+	-	-	Mar 11, 2024	[ICRA]AA-(Stable)/[ICRA]A1+
									Apr 06, 2023	[ICRA]AA-(Stable)/[ICRA]A1+

### 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

Sr. No.	Activity Name	FSR
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/ Short term – Unallocated	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. Crores)	Current rating and outlook
NA	Unallocated limit	-	-	-	95.00	[ICRA]AA- (Stable)/[ICRA]A1+

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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ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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