



**Press Release**  
**OLYMPIA INDUSTRIES LIMITED**  
**September 03, 2025**  
**Rating Reaffirmed**

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	25.00	ACUITE BB+   Stable   Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	25.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

**Rating Rationale**

Acuite has reaffirmed its long-term rating of 'ACUITE BB+' (read as ACUITE Double B plus) on the Rs.25.00 Cr. bank facilities of Olympia Industries Limited (OIL). The outlook is 'Stable'.

**Rationale for rating reaffirmation**

The rating reaffirmation factors in the improvement in operating revenue albeit moderation in operating profitability owing to change in the business model from B2C to B2B. Further, the rating draws comfort from the diversified product portfolio, established customer relationship with reputed purchase & sales channels and experienced management. However, the rating remains constrained by the company's moderate financial risk profile, intensive working capital operations and inherent limitation of trading & distribution business.

**About the Company**

Incorporated in 1987, OIL was initially engaged into manufacturing of dyed and blended yarns in Gujarat and Maharashtra. However, since 2014, the company has shifted its core operations to the distribution of consumer goods including FMCG, baby care, home and kitchen appliances, electronic items, beauty and personal care products, air conditioners, pet care items, and watches through multiple e-commerce platforms such as Amazon, Flipkart, Nykaa, and Myntra. The company has its warehouses in Mumbai, Bengaluru, Kolkata, Hyderabad, and Gurgaon. The current directors of the company are Mr. Naresh Parsharam Waghchaude, Mr. Pravin Kumar Shishodiya, Mr. Navin Kumar Pansari, Mr. Kamlesh Ramanlal Shah, Ms. Pooja Anurag Jiwrajka and Mr. Bhushan Arun Patil.

**Unsupported Rating**

Not Applicable.

**Analytical Approach**

Acuite has considered the standalone business and financial risk profile of OIL to arrive at the rating.

**Key Rating Drivers**

**Strengths**

**Experienced management, established marketing channel and diversified product profile**

The operations of OIL are led by Mr. Navin Pansari, who possesses more than three decades of experience in the distribution of electronic peripherals and apparels, among others. Further, OIL sells a diversified range of products which includes FMCG, baby care, electronic appliances among others of various reputed companies on

several ecommerce marketplaces such as Amazon Seller Services Private Limited, Flipkart India Private Limited, Nykaa ERetail Limited, Myntra Jabong India Private Limited. Therefore, Acuité believes that the company will

benefit from its experienced management which will help the company to maintain long standing relations with its clients.

### **Growth in operating revenue albeit moderation in operating profitability**

The revenue of the company grew by ~52% in FY2025 to Rs. 282.51 Cr. from Rs. 189.09 Cr. in FY2024 due to increase in volumes sold under B2B business model. In FY2025, the sales mix shifted significantly, with B2B contributing 80% and B2C accounting for 20%, as opposed to an even 50:50 split in FY2024. However, this shift led to a moderation in operating profitability, with the operating profit margin declining to 2.63% in FY2025 as compared to 3.47% in the previous year. As of Q1 FY2026, the company has recorded revenue of Rs. 74.60 Cr. at an EBITDA margin of 2.56%. Going forward, the ability to maintain the growth in scale of operations with improving margins shall be a key rating monitorable.

## **Weaknesses**

### **Moderate financial risk profile**

The financial risk profile of the company is moderate with moderate net worth (adjusted for asset revaluation reserve) and gearing and average debt protection metrics. The tangible net worth stood moderate at Rs. 43.00 Cr. as on March 31st, 2025, with a gearing at 1.32 times as on March 31, 2025 (1.22 times as on March 31, 2024). The debt protection metrics however stood average with interest coverage ratio (ICR) of 1.49 times and debt service coverage ratio (DSCR) below unity at 0.97 times in FY2025. The Debt to EBITDA ratio remained high at 7.11 times as on March 31, 2025 (7.23 times as on March 31, 2024).

Acuite expects the financial risk profile to improve over the medium term, supported by better business performance and no major debt-funded capex plans.

### **Intensive working capital operations**

The working capital management of the company is intensive in nature marked by gross current assets (GCA) of 167 days as of March 31, 2025 (239 days as of March 31, 2024). The GCA days are mainly driven by reduced but high inventory days which stood at 114 days as on March 31, 2025 (183 days as on March 31, 2024) as the company is required to maintain adequate stock of inventory. The debtor days stood at 54 days in FY2025 (41 days in FY2024). Therefore, the company's reliance on bank limits remains moderate with average utilisation at ~76.56% for the last 06 months ended August 25.

Acuite believes that the working capital operations of the company will remain at similar levels given the nature of the industry over the medium term.

### **Inherent limitations of trading & distribution business**

The trading & distribution of the products are significantly dependent on market and consumer behaviour, supply chain dynamics, reputation of the brands, changes in any trade policies, etc. Any downside on these parameters may affect the performance the company.

## **Rating Sensitivities**

- Continued growth in scale of operations while maintaining profitability margins
- Elongation in the working capital cycle leading to stretch in the liquidity position.
- Significant increase in debt levels affecting the financial risk profile.

## **Liquidity Position**

### **Adequate**

While the FY25 net cash accruals of Rs 2.15 Cr. were not fully sufficient to repay debt obligations of Rs 2.36 Cr., the same was managed by the company through other sources and going forward in the absence of any significant debt obligations (~Rs. 0.93-0.57 Cr.), the net cash accruals are expected to remain sufficient in the range of Rs.2.56- 3.06 Cr. Also, the company's reliance on bank limits stood moderate with average utilisation at ~76.56% for the last 06 months ended August 25. The current ratio stood moderate at 1.46 times as on March 31, 2025. The company maintained unencumbered cash and bank balance of Rs. 0.02 Cr. as on March 31, 2025.

## **Outlook: Stable**

### **Other Factors affecting Rating**

None.

## Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	282.51	189.09
PAT	Rs. Cr.	1.30	0.79
PAT Margin	(%)	0.46	0.42
Total Debt/Tangible Net Worth	Times	1.32	1.22
PBDIT/Interest	Times	1.49	1.55

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

Not Applicable.

### Any other information

The rating is currently under the appeal process as per company's request.

### Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jun 2024	Cash Credit	Long Term	25.00	ACUITE BB+   Stable (Reaffirmed)
20 Nov 2023	Cash Credit	Long Term	25.00	ACUITE BB+   Stable (Downgraded from ACUITE BBB-   Stable)
01 Sep 2023	Cash Credit	Long Term	25.00	ACUITE BBB-   Stable (Reaffirmed)
09 Jun 2022	Cash Credit	Long Term	22.00	ACUITE BBB-   Stable (Reaffirmed)
	Proposed Long Term Bank Facility	Long Term	3.00	ACUITE BBB-   Stable (Reaffirmed)

**Annexure - Details of instruments rated**

<b>Lender's Name</b>	<b>ISIN</b>	<b>Facilities</b>	<b>Date Of Issuance</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Quantum (Rs. Cr.)</b>	<b>Complexity Level</b>	<b>Rating</b>
State Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE BB+   Stable   Reaffirmed

## Contacts

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### About Acuité Ratings & Research

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