



Press Release
PURTI VANASPATI PRIVATE LIMITED
August 25, 2025
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	12.00	ACUITE BBB- Stable Reaffirmed	-
Bank Loan Ratings	188.00	-	ACUITE A3 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	200.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of ‘**ACUITE BBB-**’ (read as **ACUITETriple B minus**) and short-term rating of ‘**ACUITE A3**’ (read as **ACUITE A three**) to the Rs.200.00 Cr. bank facilities of Purti Vanaspati Private Limited. The outlook is ‘**Stable**’.

Rationale for Rating Reaffirmation

The rating reaffirmation is on account of the steady business risk profile marked by improvement in profitability albeit decline in revenues in FY25. The revenues declined largely due to halt in operations for 2.5 months in FY25 due to major maintenance in boilers (November 2024 to January 2025), while the profitability improved due to better realisation following a decline in custom duty of crude and palm oil during the year. The EBITDA margin increased to 4.60% in FY25, up from 2.40% in FY24. Additionally, The Net margin stood at 1.52% in FY25 against 1.10% in FY24. However, the company has witnessed the decline in the revenue from operations by ~28% which stood at Rs. 250.39 Cr. in FY25 against Rs. 346.89 Cr. in FY24. The rating further draws comfort from healthy financial risk profile supported by the capital structure and comfortable debt protection metrics. The working capital cycle has also improved due to reduced operations during year end due to maintenance activities but the sustainability of the same will remain a monitorable. Furthermore, the ratings takes into account the susceptibility of the margins to fluctuations in foreign exchange rates and volatility in raw material prices.

About the Company

Purti Vanaspati Private Limited (PVPL) was incorporated in August 2008 by Purti-Pansari group of Kolkata. The company is engaged in refining and marketing of edible oil (palm, soybean, sunflower, rice bran, etc.), vanaspati and its by products. The company’s plant is located in the Hooghly district of West Bengal, near Dankuni with an effective installed capacity of 45,000 MTPA. The company is promoted by Mr. Amit Agarwal and Mr. Kishore Kumar Agarwal. The company sells its product under the brand name of Purti, Pansari, etc. Prior to incorporation of PVPL, the group traded edible oils for over 30 years through group entities, and from 2002, it began refining edible oils through a group entity called Paceman Sales Promotion Pvt Ltd. (PSPL). The promoter opted to demerge the edible oil segment in August 2008 and move it to a new entity, i.e. PVPL, as PSPL was an NBFC firm.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of PVPL while arriving at the rating.

Key Rating Drivers

Strengths

Long-standing experience of the promoters in the industry

PVPL is promoted by the Purti-Pansari Group of Kolkata, which has over three decades of experience in the edible

oil trade and manufacturing. Mr. Kishore Kumar Agarwal (CMD) oversees overall operations, Mr. Sajjan Kumar Agarwal manages finance and Mr. Amit Agarwal leads marketing and brand promotion. Company's established dealer network and strong supplier/customer relationships provide sustainable market positioning. Acuité derives comfort from the long experience of the management and believes this will benefit the company going forward, resulting in steady growth in the scale of operations.

Improvement in profitability albeit decline in scale of operations

The company has witnessed the decline in the revenue from operations by ~28% which stood at Rs. 250.39 Cr. in FY25 against Rs. 346.89 Cr. in FY24. The decline in FY25 was mainly attributed to a 2.5-month production halt (November 2024 to January 2025) for a major boiler maintenance project, which was undertaken to comply with government safety and efficiency regulations. The EBITDA margin increased to 4.60% in FY25, up from 2.40% in FY24. This improvement was driven by an increase in average sales realization compared to FY24 and a reduction in customs duty on Crude Palm Oil, Crude Soyabean Oil and Crude Sunflower Oil to 10% from 20%. The Net margin stood at 1.52% in FY25 against 1.10% in FY24. In 4MFY26, the company has generated a revenue of Rs. 97.23 Cr. Acuité believes that going forward the performance of the company will remain a key monitorable.

Healthy Financial Risk Profile

The company has healthy financial risk profile marked by tangible net worth stood at Rs. 84.43 Cr. as on 31st March 2025 against Rs. 80.62 Cr. as on 31st March 2024, increase in net worth is on account of profit accretion. The total debt outstanding of the company is Rs. 9.73 crore as on 31 March, 2025. Debt to Equity ratio stood at 0.12 times in FY25 as against 0.02 times in FY24. Interest coverage ratio stood at 4.02 times for FY25 as against 5.88 times in FY24. Debt Service coverage ratio stood at 3.46 times for FY25 as against 5.05 times in FY24. The Total outside Liabilities/Tangible Net Worth (TOL/TNW) stood at 0.32 times as on March 31, 2025 as against 0.71 times as on March 31, 2024. The Debt- EBITDA stood at 0.81 times as on March 31, 2025 as against 0.14 times as on March 31, 2024. Acuité believes that going forward the financial risk profile of the company will remain healthy backed by steady accruals and no major debt funded capex plans.

Efficient Working Capital Operations

The working capital management of the company is efficiently marked by GCA days of 58 days in FY2025 as against 58 days in FY2024 and 98 days in FY2023. The decrease in the GCA days are driven by decrease in inventory days and debtor days. The inventory days stood at 38 days in FY2025 as against 28 days in FY2024 and 51 days in FY2023. The debtor days stood at 7 days in FY2025 as against 9 days in FY2024 and 25 days in FY2023. Creditor days stood 23 day in FY2025 against 59 days in FY2024 and 105 days in FY2023. The improvement is largely because of maintenance of the boiler in the second half of the year where the operations was very minimal. Acuité believes that the working capital operations of the company will remain key monitorable during full scale of operations.

Weaknesses

Dependence on imported raw material & its price fluctuation

PVPL's business depends on the availability of reasonably priced and high quality raw materials. It sources certain raw materials from global suppliers. Predominantly, unrefined soybean oil is imported from Argentina and Brazil, unrefined sunflower oil from Ukraine and Russia, and palm oil from Indonesia and Malaysia. The price and availability of such raw materials depend on several factors beyond the company's control like production levels, market demand, trade restrictions as well as seasonal variations. PVPL also does not have long term supply contracts with any of its raw material suppliers and typically places orders with them in advance based on its anticipated requirements. Thus, the company is always at risk to procure raw materials and that too at reasonable prices.

Rating Sensitivities

- Movement of the scale of operations with profitability margins
- Movement of working capital operations

Liquidity Position

Adequate

The company has adequate liquidity marked by net cash accruals of Rs. 7.37 Cr. for FY25 as against nil debt repayment obligations. The current ratio of the company stood at 1.54 times as on 31st March 2025 as against 1.00 times as on 31st March 2024. Cash and Bank Balances of company stood at Rs. 0.23 Cr. as on 31st March 2025. Fund based working capital limits are utilized at ~21.76 per cent and non- fund based working capital limits are utilized at ~22.99 per cent during the last 12 months ended June 2025. Acuité believes that going forward the company will maintain adequate liquidity position due to steady accruals.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	250.39	346.89
PAT	Rs. Cr.	3.81	3.82
PAT Margin	(%)	1.52	1.10
Total Debt/Tangible Net Worth	Times	0.12	0.02
PBDIT/Interest	Times	4.02	5.88

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

Not Applicable

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.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. Acuité'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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 May 2024	Letter of Credit	Short Term	86.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	20.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	40.00	ACUITE A3 (Reaffirmed)
	Letter of Credit	Short Term	42.00	ACUITE A3 (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Reaffirmed)
	Cash Credit	Long Term	3.00	ACUITE BBB- Stable (Reaffirmed)
02 Mar 2023	Letter of Credit	Short Term	86.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	20.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	40.00	ACUITE A3 (Assigned)
	Letter of Credit	Short Term	42.00	ACUITE A3 (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	1.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	4.00	ACUITE BBB- Stable (Assigned)
	Cash Credit	Long Term	3.00	ACUITE BBB- Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
UCO Bank	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BBB- Stable Reaffirmed
Bank of India	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.00	Simple	ACUITE BBB- Stable Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	4.00	Simple	ACUITE BBB- Stable Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	3.00	Simple	ACUITE BBB- Stable Reaffirmed
UCO Bank	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	86.00	Simple	ACUITE A3 Reaffirmed
ICICI Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	42.00	Simple	ACUITE A3 Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	40.00	Simple	ACUITE A3 Reaffirmed
Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	20.00	Simple	ACUITE A3 Reaffirmed

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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