



Press Release
ANNAPURNA SWADISHT LIMITED
October 20, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE BBB Stable Assigned	-
Bank Loan Ratings	50.00	ACUITE BBB Stable Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	100.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed the long term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on Rs.50 Cr. bank facilities of Annapurna Swadisht Limited (ASL). The outlook remains '**Stable**'. Further, Acuite has assigned its long-term rating of '**ACUITE BBB**' (read as **ACUITE triple B**) on Rs.50 Cr. bank facilities of Annapurna Swadisht Limited (ASL). The outlook is '**Stable**'.

Rationale for rating

The rating reflects the improvement in scale of operations during FY25 marked by increase in operating income and profitability margins supported by synergies from the addition of capacities and inorganic expansion through acquisition of 74% of Madhur Confectioners Private Limited (MCPL) in November 24. The remaining 26% stake will be acquired supported by external debt and promoter contribution and will remain monitorable. The ratings continue to remain supported by the extensive experience of its promoters in the packaged food industry, its well-established distribution network and deepening market reach across all states especially West Bengal. The financial risk profile remains healthy backed by increase in networth due to accretion of reserves and infusion of capital, gearing below unity and comfortable debt protection metrics. The liquidity remains adequate albeit low current ratio and high bank limit utilization. Further, the group has planned capex plans to further expand its capacities and increase its scale of operations. These will be funded through a mix of debt and equity in such a manner that maintains its debt protection metrics which remains monitorable factor. The ratings remain constrained by intensive working capital cycle and stiff competition from other branded packaged food players. It is susceptible to market risks, given the difference in tastes and consumer preferences across geographies. Additionally, the margins remain vulnerable to adverse movements in raw materials prices.

About the Company

Annapurna Swadisht Limited (ASL) was converted into Private Limited company on July 8, 2022, from a partnership company. The company got listed on SME Platform of NSE in FY2023. The Company is engaged in the business of manufacturing of snacks like Fryums, Namkeen, Noodles, extruded snacks, Confectionery, Candy, Sweets and Ready to drink. It is promoted by Mr. Shreeram Bagla, Mr. Chandan Ghosh, Mr. Ritesh Shaw, Ms. Rachna Yadav, Mr. Harish Ramanna Navarathna and Mr. Manoj Sharma.

About the Group

Madhur Confectioners Private Limited (MCPL) was a family-owned business in 1996 and based in Indore as an Indian confectionery business. Further, ASL had acquired 74% stake in the company on November 2024 (FY2025) for Rs.149.99 Cr. The remaining 26% stake will be monitored as supported through external debt and promoter contributions. It is promoted by Mr. Ritesh Shaw, Mr. Shreeram Bagla, Mr. Manoj Sharma and Mr. Pawan Jaiswal.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

- Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has considered the consolidated view of business and financial risk profile of Annapurna Swadishat Limited (ASL) and Madhur Confectioners Private Limited (MCPL). The change in approach is because ASL has acquired MCPL as a partially owned subsidiary and consolidation factors the common management and significant financial linkages in form of shareholdings.

Key Rating Drivers

Strengths

Experienced management and widened presence

The promoters of the group possess several decades of experience in the packaged food industry. With a distribution network exceeding 1,100 distributors, ASL has strengthened its presence in Tier III and IV towns by offering affordable, low-unit packs tailored to the preferences of rural consumers. As of 5MFY26, approximately 84% of ASL's revenue was concentrated in the top two states, West Bengal and the Northeast regions. Post acquisition, the group now operates across 20 Indian states, including West Bengal, Punjab, Uttar Pradesh, Maharashtra, Odisha, Jharkhand, Bihar and others and has expanded its export footprint to Africa and the Middle East regions. The products are marketed under the brands Annapurna and Madhur. Acuite believes that the group's expansion into diverse geographies and product categories, combined with the management's extensive experience, will support its growth and operational stability over the medium term.

Increasing Scale of Operations

The group's operating income has shown improvement by 54% and stood at Rs.408.52 Cr. in FY25 as against Rs.265.30 Cr. in FY24 backed by healthy demand majorly from the rural market, deeper penetration, synergies from recent acquisition and broader product portfolio. Further, the group achieved Rs108.00 Cr. in Q1FY26. The EBITDA margin stood at 11.70 percent in FY25 as against 10.44 percent in FY24 due to group's ability to expand the operations while having better control over operating expenses. Therefore, there have been decline in other manufacturing costs (factory expenses), administrative costs (loading and unloading, office expenses, packaging charges) and selling expenses. The PAT margin stood at 5.27 percent in FY25 as against 4.95 percent in FY24 due to increase in operating margin. Further, EBITDA and PAT margins stood at 12.85% and 6.95% in Q1FY26. Acuite believes scale of operations will improve over the medium term backed by demand from rural markets and synergies from inorganic expansion.

Healthy Financial Risk Profile

The financial risk profile of the group is healthy marked by increase in networth, gearing below unity and comfortable debt protection metrics. The tangible networth of the group stood at Rs.166.17 Cr. in FY2025 as compared to Rs.102.33 Cr. in FY2024 due to accretion of reserves and capital infusion. During FY25, ASL raised Rs.150.00 Cr. through Qualified Institutional Buyer and issued share warrants of Rs.17.70 Cr. Further, share warrants of 450000 shares remains unsubscribed of Rs.3.31 Cr. and has been transferred to capital reserve. Additionally, ASL has issued 2375000 share warrants at Rs.351 per share, of which 25% i.e. Rs.20.84 Cr. has been received in FY26.

The gearing stood below unity at 0.69 percent in FY2025 compared to 0.62 percent in FY2024. The interest coverage ratio stood comfortable at 4.43 times in FY2025 compared to 4.54 times in FY2024. The debt portfolio increase was due to capital expenditure and to meet working capital requirements to fund the increased business operations. The debt service coverage ratio stood comfortable at 3.56 times in FY2025 compared to 2.87 times in FY2024. The TOL/TNW stood at 0.99 times in FY2025 compared to 1.19 times in FY2024. Acuite believes that the financial risk profile will remain on similar levels over the medium term supported by continued capital infusion, promoters' contribution and debt funded capex plans.

Weaknesses

Intensive Working Capital cycle

The working capital cycle is marked intensive as reflected from Gross Current Assets (GCA days) of 177 days in FY2025 compared to 164 days in FY2024. The inventory days stood at 77 days in FY2025 as compared to 89 days in FY2024. The group stores 4-5 products (like laminates, refined flour, seasonings, gifts and spare parts) for 3-4 months and has created 108 Strategic Business Units (SKUs) across different states. Backward integration through a flour mill improved cost efficiency and supply chain control. The debtor days stood at 52 days in FY2025 compared to 40 days in FY2024. The other current assets of Rs. 39.96 Cr. includes other loans and advances of Rs. 14.84 Cr, stock of coins for promotional activities of Rs. 8.82 Cr, material loans of Rs.3.84 Cr, and others. The creditor days stood at 31 days in FY2025 compared to 87 days in FY2024. The group has repaid its creditors and secure heavy discounts. Acuite believes that working capital requirements are expected to remain at similar levels due to the stocking and collection mechanisms policy of the group over the medium term.

Highly competitive and fragmented industry with high obsolescence risk

The group operates in a highly competitive and fragmented FMCG industry as majority turnover of the group is being derived from snacks products and majority of the revenues are being generated from West Bengal. This segment is categorized by the presence of multiple players and brand consciousness of a large part of consumers. The segment is also susceptible to volatility in the economic scenario. However, the diversified product profile and established presence mitigate this risk to some extent.

Rating Sensitivities

Working capital cycle

Movement in operating income and profitability margins

Larger than debt funded capex plans

Acquisition of MCPL

Liquidity Position

Adequate

The group has adequate liquidity marked by net cash accruals of Rs.31.07 Cr. in FY2025 as against Rs.0.66 Cr. long term debt obligations over the same period. The group maintains cash and bank balances stood at Rs. 29.42 Cr. in FY2025 compared to Rs. 2.43 Cr. in FY2024.

However, the current ratio stood low at 1.39 times in FY25 compared to 1.07 times in FY24. Moreover, the fund-based limit was utilized at a higher level i.e. 94 per cent for the last six-months ended September 2025. The group also have capex plans to increase their capacities and increase scale of operations which will be funded by a mix of external debt and internal accruals. Acuite believes that the group will maintain an adequate liquidity position due to sufficient cash accruals against debt repayments, cash and bank balances albeit low current ratio and high bank limit utilization.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	408.52	265.30
PAT	Rs. Cr.	21.51	13.13
PAT Margin	(%)	5.27	4.95
Total Debt/Tangible Net Worth	Times	0.69	0.62
PBDIT/Interest	Times	4.43	4.54

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

Not Applicable

Any Other Information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.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.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
22 Jul 2024	Cash Credit	Long Term	30.00	ACUITE BBB Stable (Assigned)
	Term Loan	Long Term	20.00	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
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE BBB Stable Reaffirmed
ICICI BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	18.00	Simple	ACUITE BBB Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE BBB Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1.50	Simple	ACUITE BBB Stable Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	2.00	Simple	ACUITE BBB Stable Assigned
Bajaj Finance Ltd.	Not avl. / Not appl.	Term Loan	01 Jul 2024	Not avl. / Not appl.	01 Jul 2030	18.50	Simple	ACUITE BBB Stable Reaffirmed

*Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)

Sr. No.	Name of the companies
1	Annapurna Swadisht Limited
2	Madhur Confectioners Private Limited

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About Acuité Ratings & Research

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