



Press Release
LANDSMILL AGRO PRIVATE LIMITED
February 09, 2026
Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	50.00	ACUITE BBB+ Reaffirmed Rating Watch with Developing Implications	-
Bank Loan Ratings	100.00	-	ACUITE A2 Reaffirmed
Total Outstanding Quantum (Rs. Cr)	150.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long term rating of '**ACUITE BBB+**' (read as **ACUITE triple B Plus**) and short term rating of '**ACUITE A2**' (read as **ACUITE A two**) on the Rs.150.00 Crore bank loan facilities of Landsmill Agro Private Limited. The rating has been placed under 'Rating Watch with Developing Implications'.

Rationale for Rating

Acuite has put the "Rating under watch with developing implications", taking into account the complete ownership transition of the company wherein the current promoters, Mr. Garvit Agarwal and Mr. Praveen Kumar Agrawal, have formalized a Share Purchase Agreement (SPA) with Elitecon International Limited for a phased divestment of their entire equity stake, thereby effecting a 100% change in company's ownership. As a part of the arrangement, 55% of the total shareholding has been transferred to the incoming shareholder ~ Elitecon International Limited as on 30th September, 2025 and the balance is expected to be done by 31st March, 2026. Acuite will closely monitor and keep watch on the developments pertaining to the business and financial performance of Landsmill Agro Private Limited and the stability in the operations of the company after the ownership change will remain a key rating sensitivity.

Further, the reaffirmation in rating factors in the healthy business risk profile of the company, marked by the increase in operating income to Rs.1392.64 Cr. in FY2025 as against Rs.790.76 Cr. in FY2024 along with EBITDA and PAT margins of 3.71% and 1.83% respectively in FY2025. Moreover, the company has registered revenue of Rs.1576.99 Cr. till January, 2026. Further, the financial risk profile is marked by moderate net worth, gearing below unity and comfortable debt protection metrics and the liquidity position is adequate as reflected by sufficient accruals against debt repayment obligations, moderate current ratio and the absence of any major debt-funded capex plans in the near to medium term. However, the rating remains constrained by moderately intensive working capital operations and the highly competitive nature of the industry.

About the Company

Delhi based, Landsmill Agro Private Limited is engaged in the manufacturing of edible oils, including blended edible vegetable oil, interesterified vanaspati oil, refined soyabean oil,

margarine, etc, which are household consumable products for Indian consumers who use oil regularly as a cooking medium. The current directors of the company are Mr. Garvit Agarwal

and Mr. Praveen Kumar Agrawal. The company is now a subsidiary of Elitecon International Limited, which is engaged in the business of manufacturing and trading various kinds of tobacco, cigarettes, and other related products.

Unsupported Rating

Not applicable.

Analytical Approach

Acuite has considered the standalone financial and business risk profiles of Landsmill Agro Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Established track record of operations

LAPL was incorporated in the year 2019. The product portfolio of the company includes blended edible vegetable oil, margarine, refined soyabean oil, refined palm oil, kachi ghani mustard oil, refined rice bran oil, etc. The established track record of operations has helped the company to have long-standing relationships with customers and suppliers over the years. The company also has a wide sales and distribution network all over India, which supports to enhance customer outreach and bag new orders. Acuite believes that the company will continue to derive benefit from the established track record of operations as well as healthy relationships with its clientele, which is expected to support the company's business risk profile over the medium term.

Augmentation in Business Risk Profile

The company achieved operating income of Rs.1392.64 Cr. in FY2025 as against Rs.790.76 Cr. in FY2024, driven by healthy growth across trading and manufacturing segments coupled with steady demand for edible oils in the market. The stability in revenue is further backed by the execution of orders, wherein the company has an unexecuted order book of Rs.175.71 Cr. as on 31st January, 2026 and the same is maintained on a two-month forward basis. Further, the EBITDA margin of the company stood at 3.71% in FY2025 against 2.97% in FY2024, contributed by the sales volume growth along with a significant increase in price realizations. Likewise, the PAT margin stood at 1.83% in FY2025 against 1.23% in FY2024. Moreover, the company has registered revenue of Rs.1576.99 Cr. till 31st January, 2026 and going forward, the company is expecting to maintain a healthy business risk profile in the near to medium term on the back of the execution of its order book. However, stability in the operations of the company post the change in the ownership will be a key rating sensitivity.

Moderate Financial Risk Profile

The financial risk profile of the company is marked by moderate tangible net worth, which stood at Rs.91.99 Crore as on 31st March 2025 as against Rs.56.44 Crore as on 31st March 2024. The increase in the net worth is on account of accretion of profits into reserves. The capital structure of the company is marked by gearing ratio which stood at 0.57 times as on 31st March 2025 against 0.88 times as on 31st March 2024. Further, the coverage indicators are reflected by the interest coverage ratio and debt service coverage ratio, which stood at 2.73 times and 2.17 times respectively as on 31st March 2025 against 2.05 times and 1.87 times as on 31st March 2024. The TOL/TNW ratio of the company stood at 3.38 times as on 31st March 2025 as against 4.13 times as on 31st March 2024 and DEBT-EBITDA stood at 0.98 times as on 31st March 2025 as against 2.04 times as on 31st March 2024. Acuite expects the financial risk profile of the company to remain moderate with no major debt-funded capex plans in the near to medium term.

Weaknesses

Moderately Intensive Working capital operations

The working capital operations of the company improved yet remained moderately intensive,

marked by GCA days, which stood at 90 days as on 31st March, 2025 as against 108 days as on 31st March, 2024. The high GCA days are on account of debtor days of the company, which stood at 56 days as on 31st March, 2025 as against 67 days as on 31st March, 2024. Additionally, the other current assets increased and stood at Rs.24.00 Cr. in FY2025 as against Rs.11.71 Cr. which majorly includes advances to suppliers along with prepaid expenses, balance with tax authorities, etc. Further, inventory days stood at 30 days as on 31st March, 2025 against 37 days as on 31st March, 2024 as the company needs to maintain adequate inventory as and when required for order execution and the creditor days stood at 32 days as on 31st March, 2025 as against 55 days as on 31st March, 2024. Acuite expects the working capital operations of the company to remain in a similar range in the near to medium term owing to the nature of operations.

Highly fragmented and competitive nature of industry

The industry is marked by the presence of a large number of organized and unorganized players in the industry. The industry is intensely competitive and fragmented because of low entry barriers, easy availability of raw materials and moderate capital requirements. The highly competitive industry further limits the pricing flexibility and exerts pressures on the margins of all participants, thereby reducing bargaining power with customers for players. The company usually passes on cost pressures to its customers, which shields its margins from adverse movements to an extent. Acuite believes the sustainability of such practices will remain a key monitorable factor.

Rating Sensitivities

- Movement in topline and profitability margins
- Movement in the working capital cycle
- Stability in the operations of the company post ownership transition

Liquidity Position Adequate

The liquidity profile of the company is adequate, marked by net cash accruals of Rs.28.30 crore as on 31st March, 2025 as against the debt repayment obligations of Rs.2.56 crore in the same period. Moreover, the company is expected to generate sufficient net cash accruals against the debt repayment obligation in the near to medium term. The current ratio of the company stood at 1.38 times as on 31st March, 2025 as against 1.34 times as on 31st March, 2024. Further, the fund based and non-fund based working capital limits stood utilized at 90.60% and 54.92% respectively in the last six months ending December 2025. Acuite expects the liquidity profile of the company to remain adequate with sufficient accruals against debt repayment obligations, moderate current ratio and the absence of any major debt-funded capex plans in the near to medium term.

Outlook: Not Applicable

Other Factors affecting Rating None

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	1392.64	790.76
PAT	Rs. Cr.	25.43	9.70
PAT Margin	(%)	1.83	1.23
Total Debt/Tangible Net Worth	Times	0.57	0.88
PBDIT/Interest	Times	2.73	2.05

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, Acuite 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
28 Jan 2025	Letter of Credit	Short Term	100.00	ACUITE A2 (Assigned)
	Term Loan	Long Term	8.20	ACUITE BBB+ Stable (Assigned)
	Term Loan	Long Term	11.96	ACUITE BBB+ Stable (Assigned)
	Cash Credit	Long Term	25.00	ACUITE BBB+ Stable (Assigned)
	Proposed Long Term Bank Facility	Long Term	4.84	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
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 BBB+ Reaffirmed Rating Watch with Developing Implications
State Bank of India	Not avl. / Not appl.	Letter of Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	100.00	Simple	ACUITE A2 Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.80	Simple	ACUITE BBB+ Reaffirmed Rating Watch with Developing Implications
H D F C Bank Limited	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 May 2038	7.90	Simple	ACUITE BBB+ Reaffirmed Rating Watch with Developing Implications
UCO BANK	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	01 Feb 2030	9.30	Simple	ACUITE BBB+ Reaffirmed Rating Watch with Developing Implications

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About Acuité Ratings & Research

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