Rating Rationale
02 Nov 2026

Leaap International Private Limited

SUMMARY OF RATING ACTION

Facilities / Instrument	Tenure	Amount (₹ crore)		Rating Assigned & Outlook		Regulator
		Previous	Present	Previous (24 Mar 2026)	Present	
Fund-Based	Long Term	0.00	2.22	-	BWR BBB - /Stable/Assignment	RBI
		36.00	36.00	BWR BB/Stable Continues to be in ISSUER NOT COOPERATING* category/Downgraded	BWR BBB - /Stable removal from ISSUER NOT COOPERATING* category/Upgraded	RBI
Total		**36.00**	**38.22**	**Rupees Thirty Eight Crores and Twenty Two lakhs Only**		

Note:
1. Please refer to BWR website **www.brickworkratings.com** for the definition of the ratings
2. Refer to Annexures I, II, and III for details of rated bank loan facilities, debt instruments, and the List of Entities Consolidated**.**

RATING ACTION/OUTLOOK

Brickwork Ratings has assigned the long-term rating of "BWR BBB-/Stable" for the fresh bank loan facilities of Rs. 2.22 Cr. and upgraded the long-term rating to "BWR BBB-/Stable" from "BWR BB/Stable", removed the rating from "ISSUER NOT COOPERATING*" category for the existing bank loan facilities of Rs. 36.00 Cr. of Leaap International Private Limited.

The Rating has factored, inter alia, Qualified and Experienced Management, Long-Standing Market Presence and Reputed Clientele, and Satisfactory Financial Risk Profile. The rating is constrained by thin Profit Margins and Limited Pricing Flexibility, Highly Competitive and Fragmented Industry. Furthermore, the rating remains constrained by the absence of a defined succession plan, which will be a key monitorable going forward.

Going forward, the ability of the company to improve its scale of operations, profitability, strengthen liquidity and credit profile will remain the key rating sensitivities. The rating outlook has been assigned as "Stable" as BWR believes that Leaap International Private Limited., business risk profile will be maintained over the medium term. The 'Stable' outlook indicates a low likelihood of rating change over the medium term. The rating outlook may be revised to 'Positive' in case the revenue and profitability margins show sustained improvement. The rating outlook may be revised to 'Negative' if the financial risk profile goes down.

KEY COVENANTS OF THE INSTRUMENT/FACILITY

The terms of sanction of the rated facilities include standard covenants normally stipulated for such facilities. The bankers have stipulated a special covenant stating DSCR, Interest Coverage Ratio, FACR, and Debt/EBITDA are tested annually against benchmarks specified in the sanction note, attracting no penalty for adverse deviations up to 10%, but subject to a penalty of 1.0 bps p.a. for deviations exceeding 10% or when the deviation is up to 10% with DSCR falling below 1.00.

ANALYTICAL APPROACH & APPLICABLE RATING CRITERIA

Analytical Approach	Comments
Applicable Rating Criteria	• General Criteria • Approach to Financial Ratios • Service Sector Company • Policy On Issuer Non -Cooperation
Parent/Group/Government Support	NA
Analytical Approach (Consolidation/Standalone)	For arriving at its ratings, BWR has applied its rating methodology as detailed in the Rating Criteria detailed below (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS WITH DETAILED DESCRIPTION

Credit Strengths:

- **Qualified and Experienced Management:** The company is led by a well-qualified and experienced management team with over 4 decades of business experience and a global market presence. Extensive experience, coupled with a professional management setup, enhances the competitive position of the company in the industry, which has also helped the company in building a strong supplier/customer base with relationships over decades and achieving financial and operational success.
- **Long-Standing Market Presence and Reputed Clientele:** The company is into the business and global market for over 3 decades which enhances its competitive advantage. It has a reputed clientele which includes Aurobindo Pharma Limited, J K Paper Limited, Cipla Limited and ITC Limited etc. It also has its own set of service qualifications and is a preferred supplier for many pharmaceutical companies across India.
- **Satisfactory Financial Risk Profile:** Total Operating Income grew from Rs. 460.48 Cr. in FY2024 to Rs. 631.44 Cr. in FY2025 but declined by 9.25% to Rs. 572.97 Cr. in FY2026. The decline in revenue was primarily due to global uncertainties. This led to a significant shift from ocean freight to air freight by the customers, driving an expected increase in revenue for FY2027. Operating profit in the past 3 years was sufficient to cover the interest cost, and the company had recorded net cash accruals of Rs. 7.17 Cr. in FY2025 and Rs. 6.98 Cr. in FY2026, against CPLTD obligations of Rs. 4.25 Cr. in FY2025 and Rs. 4.83 Cr. in FY2026. Total Debt/TNW improved marginally from 1.75x in FY2025 to 1.63x in FY2026. TOL/TNW increased marginally from 3.89x in FY2025 to 4.22x in FY2026, due to increase in the trade payable. Moreover, the company has maintained an adequate liquidity profile.

Credit Risks:

- **Thin Profit Margins and Limited Pricing Flexibility:** Operating Profit Margin dip from 2.01% in FY2024 to 1.65% in FY2026, mainly due to increase in the Operational handling Expenses and Employee benefit cost. Reduction in the volume of some services offered was also a reason, as the company receives fixed fees regardless of the invoice value. Moreover, the company reported a thin Net Profit Margin of 0.30% over the past three years. Being a logistic service provided, its ability to pass through any variation in fuel prices remains critical in maintaining its profit margin.
- **Highly Competitive and Fragmented Industry:** The industry includes organized top players (such as Delhivery, Blue Dart, TCI, Mahindra Logistics, Allcargo) but the company is preferred supplier for many pharmaceutical companies across India. Aurobindo Pharma routed around 80% to 90% of its exports through Leaap International this year. The trust, qualifications, compliance, and money-back guarantee offered by the company provide a competitive advantage and ensure continued business opportunities, further supported by long-term agreements with customers.

RATING SENSITIVITY FACTORS

Going forward, the ability of the company to Improve their operational scale, profitability, strengthen liquidity and credit profile would be the key rating sensitivities:

Positive:

- The company achieving projected revenue of FY2027, while maintaining operating profit margin at 2.00% or above and net profit margin above 0.50%.
- Total Debt/TNW below 1.50x. or TOL/TNW below 4.00x.
- Current Ratio in excess of 1.25x.

Negative:

- Revenue from operations and profitability going below 10% as reported in the actuals of previous years financials.
- Operating profit margin and net profit margin falling below FY2027 projected levels.
- ISCR dropping below 1.50x and DSCR going below 1.25x.
- Current Ratio going below 1x.

LIQUIDITY POSITION - Adequate

The liquidity position of the company is adequate, marked by net cash accruals of Rs. 6.98 Cr. against CPLTD obligations of Rs. 4.83 Cr. in FY2026. The cash accruals are projected to be of Rs. 9.87 Cr. with repayment obligations of Rs.4.09 Cr. in FY2027. Current ratio in FY26 stood at 1.13x. It has maintained comfortable level of debt protection metrics, with an ISCR of 9.45x and a DSCR of 2.84x in FY2026. The company has adequately utilized its working capital limits, with an average utilization of 25% during the past 6 months. The company had unencumbered cash and bank balance of Rs. 2.36 Cr at the end of FY2026.

ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG) PRACTICES

NA

COMPANY/FIRM PROFILE

Industry Classification			
Macroeconomic Indicator	**Sector**	**Industry**	**Basic Industry**
Services	**Services**	**Transport Services**	**Logistics Solution Provider**

Leaap International Private Limited (LIPL) incorporated on 15th October 1990 is a Chennai-based company which performs the roles of Customs House Agent, Multi Model transport Operators, Freight Forwarders, Inland Container Depot, Transport & Warehousing. LIPL has long experience in providing comprehensive logistics support to its customers including packing, customs brokerage, insurance, route planning and transportation, drawing up logistics solutions, etc. It also owns an ICD at Guntur Container Terminal, Guntur which became operational in 2011-12. LIPL is promoted by Mr. Subramaniam Krishnamurthy, who holds 99% of the shares. Ms. Shaheeda Murthy is the other director.

KEY FINANCIAL INDICATORS

Standalone Financial Indicators (in ₹ crore)	FY 23 - 24 (A)	FY 24 - 25 (A)	FY 25 - 26 (A)
Operating Revenue	460.48	631.44	572.97
EBITDA	9.24	11.46	9.43
PAT	1.70	1.90	1.91
Tangible Net worth	26.66	28.57	30.48
Total Debt/ Tangible Net worth	1.30	1.75	1.63
Current Ratio	1.10	1.14	1.13

A: Audited UA: Unaudited NA: Not Available P:Provisional PROJ:Projected.

Note: these are the latest available financial results. All ratios as per BWR's calculations; Amount in ₹ crore.

RATING HISTORY FOR THE PREVIOUS THREE YEARS

	Current Rating (2026)			Rating History					
				FY 2026		FY 2025		FY 2024	
Instrument	Tenor	Amount (₹.Crore)	Rating	Date	Rating	Date	Rating	Date	Rating
Fund Based	LT	36.00	BWR BBB-/Stable removal from ISSUER NOT COOPERATING* category/ Upgraded	24 Mar 2026	BWR BB/Stable (Continues to be in ISSUER NOT COOPERATING* category/ Downgraded)	28 Mar 2025	BWR BB+Stable (Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmed)	09 Jan 2024	BWR BB+Stable (Continues to be in ISSUER NOT COOPERATING* category/ Downgraded)
Fund Based	LT	2.22	BWR BBB-/Stable/ Assignment	-	-	-	-	-	-
Grand Total		**38.22**	**(Rupees Thirty Eight Crores and Twenty Two lakhs Only)**						

COMPLEXITY LEVEL OF THE RATED INSTRUMENTS

Instrument	Complexity Indicator
Fund Based	Simple

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 BWR's website www.brickworkratings.com/download/ComplexityLevels.pdf

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): NA

ANY OTHER INFORMATION: None

Contacts	
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Annexure I: Details of Bank Loan Facilities

(Amount in Rupees Crore)

SL.No.	Name of Bank	Facilities	Tenor	Amount (₹ Crore)	Regulator
1	State Bank of India	Cash Credit-Sanctioned	Long Term	36.00	RBI
2	State Bank of India	Emergency Credit Line Guarantee Scheme (ECLGS) - Sanctioned	Long Term	2.22	RBI
Total				**38.22**	

ANNEXURE II: Details of Instruments/Facilities

Name of the Instrument / Facility	Long Term/Short Term	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ cr)	Rating Assigned and Rating Outlook	Regulator
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ANNEXURE III: List of Entities Consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Nil	Nil	Nil	Nil

Annexure IV: List of Instruments and Names of Regulators of the Instruments

As required by SEBI CRA Circular dated Feb 10, 2026, a list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

A.	Rating activities	
Sr. No.	**Instrument / activity Name**	**Regulator of the instruments**
1	**Listed/Proposed to be listed bonds/debentures/preference share (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)* $**	**RBI**
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 and other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs,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	Borrowing programme ~	-
15	Issuer Ratings #	-
16	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
17	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18	Listed Security Receipts $	RBI
19	Unlisted Security Receipts	RBI
20	Independent Credit Evaluation (ICE)	RBI
21	Expected Loss Ratings (Listed/Proposed to be listed bonds/debentures/preference share (all securities))	SEBI
22	Expected Loss Ratings (Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities))	MCA
23	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.

~ 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 may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In PRs subsequent to issuance(s), Brick Work Ratings India Private Limited (BWR) shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned during regulatory regime prior to introduction of SEBI CRA Circular dated Feb 10, 2026 and the investor side regulators have accordingly been included.

$ By virtue of the instrument being listed, SEBI acts as the regulator for listing and related issues.

Note: Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

B.	Other Activities	Regulator of the Instruments
1	Monitoring Agencies	SEBI
2	Research activities incidental to rating such as research for Economy, Industries and Companies	NA

Grievance Management

For any grievances relating to rating of instruments regulated by SEBI, please contact **sebigrievance@brickworkratings.com.** Kindly note that for activities or instruments falling under the purview of FSRs other than SEBI, the grievance/dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

For any grievances relating to rating of instruments regulated by other FSR (Financial Services Regulators), please contact **grievance@brickworkratings.com**

Disclosure of Conflict of Interest

BWR Board of Directors have no influence over rating decisions, nor do they sit on the rating committees or review, discuss, or evaluate any credit ratings during the Board meetings.

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Brickwork offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporate and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Urban Local Bodies and Municipal Corporations.

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