

La Freightlift Private Limited

March 27, 2026

| Facilities/Instruments | Amount (₹ crore) | Rating ¹ | Rating Action |
|--------------------------------------|--------------------------------|---------------------------|---------------|
| Long-term/Short-term bank facilities | 60.00 (Enhanced from 48.00) | CARE BB; Stable / CARE A4 | Reaffirmed |
| Long-term bank facilities | - | - | Withdrawn |

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities of La Freightlift Private Limited (LAFL) are constrained by thin profitability margins, working capital intensive nature of business, leveraged capital structure, and highly fragmented and competitive industry. The ratings, however, derive strength from the established track record of the company in the global freight forwarding industry and extensive experience of the promoters.

CARE Ratings Limited (CareEdge Ratings) has withdrawn the rating assigned to LAFL's long-term bank facilities provided by Union Bank of India with immediate effect as there is no amount outstanding as per NDC (No Due Certificate) received from the lender dated March 13, 2026.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors:

- Improvement in total operating income (TOI) beyond ₹250 crore on a sustained basis.
- Improvement in liquidity position with collection period less than 90 days.
- Improvement in overall gearing below 1.50x on a sustained basis.

Negative factors:

- Decline in Profit Before Interest, Lease rentals, Depreciation and Tax (PBILDT) margins below 2.00% on sustained basis.
- Increase in collection period beyond 120 days and deterioration in liquidity position on a sustained basis.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CARE Ratings) believes that LAFL will continue to maintain a stable credit profile in the medium term on the back of the extensive experience of the promoters in the freight forwarding industry.

Detailed description of key rating drivers:

Key Weaknesses

Thin profitability margins

The company operates as an intermediary between customers and carriers, and the business is intensively competitive with high pricing pressure. The margins are thin inherent to the nature of freight forwarding business, with low value addition in services along with fluctuation in forex rates and other expenses like handling charges, documentation charges and repairs & freight charges among others. The PAT margin of the company has been in the range bound of 0.6% to 0.9% in last three years ending FY25 and PBILDT margins in the range of 3.5-5.4% for the same period.

Working Capital intensive nature of operations and leveraged capital structure

The company operates in working capital intensive industry where LAFL provides credit period to its customers of around 90 - 150 days whereas the carriers extend maximum 15-20 days credit to the freight forwarders with advance payment requirement with some operators. The collection period for FY25 improved but remain elevated at 106 days (PY: 142 days) as the company onboarded corporate clientele which has lesser credit period compared to sub agents. The capital structure of the company stands leveraged with total debt of ₹46.05 crores as on March 31,2025 as against TNW of ₹14.04 crores and overall gearing at 3.28x as on March 31,2025 (PY: 3.14x). Its debt profile largely comprises working capital debt.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Highly fragmented and competitive industry

The logistics industry is highly fragmented, with only 10% of the industry operated by organized players, with numerous intermediaries in the ecosystem, resulting in multiple cargo exchanges, increasing costs, and operational inefficiencies. The company faces intense competition from both organized and unorganized players due to low entry barriers, which results in unhealthy pricing wars and discounts. Due to high fragmentation and severe competition, unhealthy pricing wars and discounts result in placing pressure on margins and lowering freight rates.

Key strengths**Established track record of company in global freight forwarding industry**

LAFL is engaged in providing freight forwarding viz, Air freight, Ocean freight, Project cargo, and Inland transportation for more than three decades. The company holds license of Federal Maritime Commission (FMC), Multimodal transport operator (MTO) certified by Govt. of India, an authorized Custom Broker (CB) and IATA accredited cargo agents. LAFL has branches in major airports and Seaports of India and associate offices across 189 countries. LAFL has over 450 IATA cargo agents, and 8000 custom brokers over India. The company continues to generate the majority of its revenue by providing air export services (90.36% in FY25) followed by air import services (1.32%), sea export services (5.11%) and Custom brokerage (2.78%)

Growing scale of operations

LAFL's TOI increased to ₹192.09 crore in FY25 compared to ₹115.28 crore in FY24, driven by addition of new customers and incremental business from cross trade cargo and project cargo business verticals which contributed in volume led growth. Additionally average air freight realisations are also increased in FY25 and FY26 owing to favourable change in service mix and activities such as handling higher class 1 cargo, chartering services among others. Air freight, which contributes more than 85% of the business, recorded 12% volume growth in FY25, supported by an expanded branch network and tie-ups with new customers. In 11MFY26, TOI reached Rs. 182 crore.

As LAFL predominantly operates in air cargo exports with key destinations in the USA and Europe and exposure to middle east route cargo is ~10-12% of TOI, the ongoing Middle East conflict may impact freight rates and cargo volumes, given the inherently volatile nature of the freight forwarding industry. Going forward, the company's ability to sustain volumes and maintain favourable realizations will remain a key monitorable.

Extensive experience of the promoters

LAFL was incorporated in the year 1993 and promoted by Mr. A. Venkatesan and Mrs. V. Rajakumari. Mr. A Venkatesan has more than three decades of experience in the global freight forwarding industry. He is well supported by his sons Yokeshraj V and Jaysanthosh V, who are part of the qualified and experienced management team.

Liquidity: Stretched

The liquidity position of the company is stretched marked by elongated operating cycle days, which stood at 93 days in FY25 compared to 129 days in FY24. The improvement mainly due to decreased receivable days which stood at 106 days as on 31st March 2025 (PY: 142 days). The average utilization of working capital limits stood around 81% for the last 12 months ended December 2025. Unencumbered cash bank balance as on March 31, 2025, stood at ₹0.61 crore.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

| Macroeconomic indicator | Sector | Industry | Basic industry |
|-------------------------|----------|--------------------|-----------------------------|
| Services | Services | Transport Services | Logistics Solution Provider |

La Freightlift Private Limited (LAFL), incorporated in the year 1993, is engaged in global freight forwarding, warehousing & clearance of cargo. The company holds affiliations of Federal Maritime Commission (FMC), International Air Transport Association (IATA), Multimodal Transport Operator (MTO), and Customs Broker License (CBL). The company has branches in major airports and seaports of India and they provide freight forwarding services to over 189 countries through their associates' offices. LAFL is promoted by A. Venkatesan and V. Rajakumari and has over 14 branches across India through their own employees and associates.

| Brief Financials (₹ crore) | March 31, 2024 (A) | March 31, 2025 (A) | February 28, 2026 (UA) |
|----------------------------|--------------------|--------------------|------------------------|
| Total operating income | 115.28 | 192.09 | 182 |
| PBILDT* | 6.27 | 8.17 | NA |
| Profit after tax (PAT) | 1.06 | 1.35 | NA |
| Overall gearing (x) | 3.14 | 3.28 | NA |
| Interest coverage (x) | 1.47 | 1.55 | NA |

A: Audited UA: Unaudited; NA: Not available Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|------------------------------------|------|-------------------------------|-----------------|----------------------------|-----------------------------|------------------------------------|
| Fund-based - LT-Term Loan | | - | - | January - 2028 | 0.00 | Withdrawn |
| Fund-based - LT/ ST-Bank Overdraft | | - | - | - | 60.00 | CARE BB; Stable / CARE A4 |

Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating History | | | |
|---------|--|-----------------|------------------------------|---------------------------|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 |
| 1 | Fund-based - LT/ST-Bank Overdraft | LT/ST | 60.00 | CARE BB; Stable / CARE A4 | - | 1)CARE BB; Stable / CARE A4 (26-Feb-25) | 1)CARE BB; Stable / CARE A4 (19-Feb-24) | - |
| 2 | Fund-based - LT-Term Loan | LT | - | - | - | 1)CARE BB; Stable (26-Feb-25) | - | - |

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of the Instrument | Complexity Level |
|---------|------------------------------------|------------------|
| 1 | Fund-based - LT-Term Loan | Simple |
| 2 | Fund-based - LT/ ST-Bank Overdraft | Simple |

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact Us

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| <p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Pradeep Kumar V Senior Director CARE Ratings Limited Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in</p> | <p>Analytical Contacts</p> <p>Sandeep P Director CARE Ratings Limited Phone: +91 44 2850 1002 E-mail: sandeep.prem@careedge.in</p> <p>Ali Monish P E Assistant Director CARE Ratings Limited Phone: +91 44 2850 1021 E-mail: alimonish.p@careedge.in</p> <p>Nitish Kumar Mahto Analyst CARE Ratings Limited E-mail: Nitish.kumar@careedge.in</p> |
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