

Caprihans India Limited

May 19, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	620.00	CARE B+; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and Downgraded from CARE BB-; Stable
Long Term / Short Term Bank Facilities	1.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category and LT rating downgraded from CARE BB-; Stable and ST rating reaffirmed
Short Term Bank Facilities	51.75	CARE A4; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) had, vide its press release dated May 29, 2024, placed the ratings of Caprihans India Limited (CIL) under the 'issuer non-cooperating' category as CIL had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. CIL continues to be non-cooperative despite repeated requests for submission of information through phone calls and e-mails dated April 14, 2025, April 24, 2025 and May 04, 2025. In line with the extant SEBI guidelines, CARE Ratings has reviewed the rating on the basis of the best available information which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating

The ratings assigned to the bank facilities of CIL have been revised on account of non-availability of requisite information. The ratings remain constrained by the modest operating margin, leveraged capital structure following the acquisition, the susceptibility of its revenue and profitability to government regulations, volatility in crude oil prices and foreign exchange rates. However, the above weaknesses are partially offset by strengths derived from its established track record in the packaging industry.

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

At the time of last rating on May 29, 2024 the following were the rating strengths and weaknesses.

Key weaknesses

Subdued operating performance leading to PAT losses in FY24

CIL's total operating income has declined by ~25% on y-o-y basis and stood at Rs. 704.19 crores in FY24 as compared to Rs. 939.10 crores in FY23. Further, the company has reported net loss of Rs. 51.6 crores in FY24 as compared to profit after tax of Rs. 71.76 crores in FY23 (after considering exceptional gain of Rs. 126.82 crores)

Highly leveraged capital structure post-acquisition:

CIL, from a zero-debt company, has turned to be a highly leveraged entity with the acquisition of PPI unit from its holding company. The acquisition process was completed in March 2023 for a net consideration of Rs. 213.00 crores. The company took over the liabilities of Bilcare Ltd aggregating to Rs.620.00 crores and same was paid by availing bank borrowing. The total debt of the company majorly comprises term loans. The other debt components are public deposits, redeemable preference shares issued to the holding company, working capital facility and payables backed by LC. Moreover, the net worth of the company has turned negative at Rs. 288.49 crores as on Mar 31, 2023, post the acquisition of the operational asset, with negative capital reserve. The said net worth is excluding the revaluation reserve. The debt coverage indicator stood weak marked by interest coverage stood at 0.53x as on Mar 31, 2024

Susceptible to government regulations:

The pharmaceutical and food industry are major customers of the packaging industry. As both the user industries pertain to health and general well-being of the people at large, government regulations pertaining to packaging used in both these industries are

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

very strictly implemented. Therefore, CIL's operation is susceptible to these regulatory risks, any unanticipated changes in which, could have a material impact on its financial risk profile.

Exposure to volatility in crude oil prices and foreign exchange rates

Polymer resin being a crude oil derivative, its prices are linked with crude oil prices. Additionally, these resins are largely imported, due to which its prices are also susceptible to the volatility in foreign exchange rates. CIL is able to revise prices with its pharmaceutical industry clients only with a lag of a few months. Thus, commodity price and foreign exchange fluctuation are significant risks to the profitability of the company.

Key strengths

Established track record of the company in the packaging industry

CIL has been in the business of flexible polyvinyl chloride (PVC) products since 1957 with an established track record of around six decades in the packaging industry. Over the years, the company has steadily expanded into decorative and industrial laminates, polystyrene sheets and plastic-corrugated sheets. It has diversified from flexible packaging products into manufacture of rigid PVC and polyvinylidene chloride (PVDC) films. The company caters to the packaging demand from pharmaceutical, fast-moving consumer goods (FMCG) and food industries. Besides, flexible PVC film and extruded products are used for a variety of other industrial applications.

Applicable criteria

[Policy in respect of non-cooperation by issuers](#)

[Rating Outlook and Rating Watch](#)

[Definition of Default](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry Classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Plastic Products - Industrial

Caprihans India Limited (CIL) is engaged in processing of plastic polymers and manufactures rigid and flexible polyvinyl chloride (PVC) films by calendaring process, poly vinylidene chloride (PVDC)-coated rigid PVC film and certain plastic products through extrusion process in India. CIL was incorporated as a privately held company on April 11, 1946 and was listed on the Bombay Stock Exchange in 1976. CIL's manufacturing units are located in Thane and Nasik, Maharashtra. CIL is presently promoted by Bilcare Limited (BIL) (holds 51% stake w.e.f. 22-03-2024). Bilcare Limited was into default from 2013 and was later taken into National Company Law Tribunal (NCLT) by its lenders in 2019. Later in 2023, BIL settled its dues in a one-time settlement process for which CIL leveraged its balance sheet to acquire the operating assets of BIL and BIL used these funds to repay its lenders.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	799.09	939.10	708.74
PBILDT	59.17	62.81	48.51
PAT	-39.57	71.76	-51.65
Overall gearing (times)	-2.97	-2.91	-2.90
Interest coverage (times)	0.86	1.06	0.59

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

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	-	-	-	31-03-2030	570.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits	-	-	-	-	50.00	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based - LT/ ST-CC/Packing Credit	-	-	-	-	1.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*
Non-fund-based-Short Term	-	-	-	-	51.75	CARE A4; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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-CC/Packing Credit	LT/ST	1.00	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING *	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING * (29-May-24) 2)CARE BB; Stable / CARE A4+; ISSUER NOT COOPERATING * (23-May-24)	1)CARE BB; Stable / CARE A4+ (09-Oct-23)	1)CARE BBB- / CARE A3 (RWN) (20-Jan-23) 2)CARE A-; Stable / CARE A2+ (05-Sep-22)
2	Non-fund-based-Short Term	ST	51.75	CARE A4; ISSUER NOT COOPERATING *	-	1)CARE A4; ISSUER NOT COOPERATING * (29-May-24) 2)CARE A4+; ISSUER NOT	1)CARE A4+ (09-Oct-23)	1)CARE A3 (RWN) (20-Jan-23) 2)CARE A2+

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
						COOPERATING * (23-May-24)		(05-Sep-22)
3	Fund-based - LT-Term Loan	LT	570.00	CARE B+; Stable; ISSUER NOT COOPERATING *	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (29-May-24) 2)CARE BB; Stable; ISSUER NOT COOPERATING * (23-May-24)	1)CARE BB; Stable (09-Oct-23)	1)CARE BBB-(RWN) (20-Jan-23)
4	Fund-based - LT-Working Capital Limits	LT	50.00	CARE B+; Stable; ISSUER NOT COOPERATING *	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING * (29-May-24) 2)CARE BB; Stable; ISSUER NOT COOPERATING * (23-May-24)	1)CARE BB; Stable (09-Oct-23)	1)CARE BBB-(RWN) (20-Jan-23)

*Issuer did not cooperate; based on best available information.

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

Annexure-3: Detailed explanation of covenants of rated instruments/facilities

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-Working Capital Limits	Simple
3	Fund-based - LT/ ST-CC/Packing Credit	Simple
4	Non-fund-based-Short Term	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CARE 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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