

## PGP Glass Private Limited

December 05, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	3,179.41 (Enhanced from 3,161.97)	CARE A+; Stable	Reaffirmed
Long-term / Short-term bank facilities	100.00	CARE A+; Stable / CARE A1	Reaffirmed
Short-term bank facilities	197.65 (Enhanced from 192.49)	CARE A1	Reaffirmed
Long-term bank facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers:

Reaffirmation of ratings for PGP Glass Private Limited (PGP) reflects its strong overall performance, supported by improved credit metrics and stable financial results in FY25. Ratings are backed by PGP's established position in the glass bottle manufacturing business, its wide geographic presence, and a strong customer base. The company also benefits from the industry experience of the Blackstone Group, which helps in adding new customers and expanding its reach globally. PGP has also maintained healthy operating margins and steady cash flows, which provide financial flexibility. Even with recent tariff challenges in some export markets, PGP's customer relationships remain strong because premium bottles are highly customised, switching suppliers takes time and cost, and global competitors have limited spare capacity.

However, ratings remain constrained by the profitability susceptible to fluctuations in raw material and energy costs, exposure to foreign currency movements, capital-intensive nature of the glass manufacturing industry, and the large bullet repayment obligation of external commercial borrowings (ECB) due in March 2026. Based on discussions with the management (represented by Blackstone Group), CARE Ratings Limited (CareEdge Ratings) understands that the company is in the process of rolling over the ECB loan with similar repayment terms, and this process is expected to be completed by December 2025. Majority lenders have already provided their consent for the rollover, which further reduces refinancing risk. However, in case of delay in refinancing, Blackstone will bring in required financial support. Considering strong parentage and healthy operating and credit metrics, refinancing risk is largely mitigated. CareEdge Ratings has withdrawn ratings assigned to long-term bank facilities of ₹300 crore at the company's request, as these facilities remained unavailed since the last rating assignment.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Increase in total operating income by 10% to 15% with PBILDT margin over 30% on sustained basis.
- Improvement in operating cycle to below 100 days.
- Net debt to Profit before interest, lease, depreciation, and tax (PBILDT) going below 1x.

#### Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Reduction in PBILDT margin below 20% due to external market challenges and lower-than-expected performance in key geographies.
- Weakening financial profile because of significant increase in working capital requirements and/or large, debt funded capex or acquisitions leading to deterioration in total debt to PBILDT to beyond 2.50x.

**Analytical approach:** Consolidated, factoring linkages with the Blackstone Group. Subsidiaries consolidated are given under Annexure-6. Consolidated approach has been adopted due to operational and financial linkages between PGP and its subsidiaries.

### Outlook: Stable

The stable outlook reflects the expectation that the company will continue to maintain its established position in the glass packaging industry and y-o-y improvement in its operational performance in the medium term.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE Ratings Limited's publications.

## Detailed description of key rating drivers:

### Key Strengths

#### Experienced and resourceful parent and professionally qualified management

PGP is the subsidiary of Blackstone Group (100% ownership by Blackstone through BCP Topco V Pte. Limited post buyout from the Piramal group) – one of the leading investment firms in the world with an asset under management (AUM) of over US\$1.21 trillion as on September 30, 2025, across sectors such as private equity, real estate, hedge fund solutions and credit businesses. The Group has an exposure in the packaging industry through acquisition of companies such as the US-based Graham Packaging, Owens-Illinois Inc, Ohio and China based packaging firm ShyaHsin and EPL Limited (formerly Essel Propack Limited in India).

#### Established player in the global glass packaging industry

PGP primarily serves the cosmetics and perfumery (CP), pharmaceuticals (PH), and specialty food packaging (SFB) industries. The company is a leading supplier of glass bottles to top global cosmetic brands, generating ~38% of its consolidated revenue from the CP sector. It is also a market leader in the production of Type I pharma glass, holding a dominant share in the domestic market. On a global scale, only five companies manufacture this type of glass. PGP operates three manufacturing facilities in India and Sri Lanka, with marketing and distribution arms in the US, Dubai, and Europe, and exports its products to over 75 countries worldwide.

#### No significant impact of tariff anticipated

The company has exposure to the US market, accounting for ~30-35% (~₹1350 crore) of its consolidated revenue for FY25. Following the imposition of the US tariffs, the company's products fall under the 50% tariff slab. Of this, the company has successfully passed on ~25% to its US customers, while the remaining 25% punitive duty is currently being absorbed by the company. The management expects this punitive component to be withdrawn once the ongoing India-US trade negotiations conclude. If the 25% duty continues, the company intends to undertake further mitigation measures, including phased price increases and additional cost-efficiency initiatives, to offset the incremental impact. CareEdge Ratings also anticipates that impact on margins will be limited to ~150–200 basis points, as the cost of packaging forms only a small proportion of the overall value of the finished product. Given the company's healthy PBILDT margin of over 30%, this cost structure reduces the likelihood of significant margin pressure.

#### Reputed clientele with geographically diversified business

The company has a reputed clientele base. Its clients include global companies such as Berlin Packaging, Diageo, Coty, L'Oréal, Yves Rocher, Baralan & De Ruy Cosmetics, Pfizer, Avantor, and Ole Smoky & Berlin among others, among others. PGP has long-term relationships with consistent repeat orders from existing clients. However, there are no long-term supply contracts in place. In FY25, top 10 customers contributed ~35% (PY: ~30%) of total revenue on a consolidated basis. The company is a net exporter of its products. In FY25, 75% of its revenue was generated from export (PY:74%), while the balance 25% was contributed by the domestic market on a consolidated basis. In the export market North America (33%) and Europe (16%) are highest contributors. CareEdge Ratings expects going forward as well, ~70%-75% total revenues will be from export market and domestic market will contribute ~25% of the total revenue.

#### Healthy product mix

The company specialises in design, production, and decoration of glass packaging solutions for the PH, CP and SFB sectors. In FY25, on a consolidated basis, CP segment contributed 38% (PY:39%) of the revenue followed by PH segment 21% (PY:22%) and SFB 41% (PY:40%). The company ranks among the top key players globally in CP markets and holds the leading position in the global nail polish market.

#### Steady Revenue growth and Robust Profitability

PGP has exhibited steady improvement in its financial performance, supported by sustained revenue growth and healthy operating margins. The company's revenue improved from ₹4,044 crore in FY24 to ~₹4,216 crore in FY25, reflecting a year-on-year growth of ~4%. This upward trajectory underscores PGP's strong market position and effective execution of its strategic initiatives. With revenue expansion, the company continued to deliver robust profitability, maintaining PBILDT margins at ~32.84% in FY25. CareEdge Ratings expects PGP to sustain this momentum, with margins projected to remain healthy at roughly 30% going forward, supported by stable operations and strong cost efficiencies.

#### Comfortable financial risk profile

The company's overall financial risk profile is comfortable and is on an improving trend. Overall gearing and debt to equity ratio stood at 0.70x and 0.69x as on March 31, 2025. Other debt coverage metrics such as total debt to gross cash accruals (TD/GCA)

and TD/PBILDT improved to 2.45x and 2.06x in FY25 from 2.65x and 2.23x reported in FY24. Interest coverage ratio is at satisfactory level at 6.89x in FY25.

## Key weaknesses

### Capital intensive industry

The glass packaging industry is capital intensive, requiring regular capex for relining/cold repair of furnaces, capacity augmentation and for routine maintenance. On a consolidated basis, the company is expected to spend ₹600 crore-₹700 crore in FY26 and FY27 each towards routine capex and capacity augmentation.

### Exposure to risks due to fluctuations in Input costs and foreign currency risks

PGP's profitability margins move in line with the fluctuations in raw material (chief being soda ash) and fuel prices. Essential raw materials for manufacturing glass containers are soda ash, broken glass cullet and limestone. PGP has been able to maintain its raw material costs within reasonable levels with a mix of imports and domestic purchase. PGP's profitability is also exposed to foreign exchange fluctuation risks, as it imports raw materials, exports goods and has foreign currency borrowings. However, the risk is partly mitigated by its well-defined hedging policy, where a significant portion of its net foreign exchange exposure is hedged through forward contracts.

### Liquidity: Strong

The company's liquidity position remains adequate marked by robust accruals against repayment obligations. In FY25, the company generated cash accruals of ~₹1163 crore. As on September 30, 2025, the company had cash and liquid investments of ~₹1115 crore. With the gearing of 0.70 x as on March 31, 2025, the company's capital structure is at comfortable level. The company's current ratio as on March 31, 2025, stood at 4.51x (PY:3.80x). In FY26, the company has total repayment obligations of ~₹2648.70 crore, which includes an outstanding ECB loan of US\$295.75 million (₹2597.10 crore) to be repaid by March 26, 2026. In this regard, PGP has initiated discussions with all existing ECB lenders under an "amend and extend" structure. The company has received in-principal approval from majority lenders to rollover entire outstanding amount, and the management expects refinancing to be completed by December 2025, with same repayment terms with a moratorium of 30 months.

CareEdge Ratings expects PGP to continue to generate gross cash accruals of ₹1000 crore- ₹1200 crore in FY26, FY27 and FY28. The company is also expected to incur capex of ~₹600-700 crore every year. Considering cash accruals generated by the company in the recent past, estimated accruals, healthy cash and liquid investments and refinancing expected of ECB loans, CareEdge Ratings expects that the company would be able to meet its debt obligations comfortably after meeting its capex requirement. The company also has adequate liquidity cushion in the form of working capital bank borrowing limits of ₹820.75 crore whose utilisation levels have remained low less than 5% for 12 months ending September 2025.

**Environment, social, and governance (ESG) risks:** Not applicable

## Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

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## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Glass - consumer

Founded in 2020, PGP is an end-to-end specialty glass manufacturing and packaging (flacconage) solutions provider. The company primarily caters to pharmaceuticals, CP and specialty food and beverage industries. The company has two manufacturing facilities in India – in Kosamba and Jambusar, Gujarat and one in Horana, Sri Lanka. The company successfully inaugurated a new 120

TPD furnace at Kosamba (Gujarat), increasing the total manufacturing capacity of PGP Glass to 1,730 TPD. Prior to this expansion, the company operated with a capacity of 1,310 TPD in India and an additional 300 TPD in Sri Lanka. PGP is 100% owned by US Private equity major Blackstone Group. The Blackstone Group purchased the business, through a business transfer agreement dated December 10, 2020, from Piramal Group (Piramal Glass Private Limited) and shares of subsidiaries through share purchase agreement for a net purchase consideration of ~₹6,988 crore. The business in India was transferred, and subsidiary shares were purchased on March 30, 2021.

Brief Consolidated Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	4,044.32	4216.30	2237.00
PBILDT	1332.58	1384.46	649.00
PAT	305.04	384.26	143.00
Overall gearing (times)	0.72	0.70	NA
Interest coverage (times)	6.92	6.89	5.84

A: Audited UA: Unaudited; Note: these are latest available financial results

**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 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-Cash Credit	-	-	-	-	553.89	CARE A+; Stable
Fund-based - LT-External Commercial Borrowings	-	-	-	26/03/2026	2625.52	CARE A+; Stable
Fund-based - LT-Term Loan	-	-	-	-	0.00	Withdrawn
Non-fund-based - LT/ ST-BG/LC	-	-	-	-	100.00	CARE A+; Stable / CARE A1
Non-fund-based - ST-BG/LC	-	-	-	-	197.65	CARE A1

**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-External Commercial Borrowings	LT	2625.52	CARE A+; Stable	-	1)CARE A+; Stable (20-Dec-24)	1)CARE A-; Stable (05-Jan-24)	1)CARE A-; Stable (13-Dec-22)
2	Fund-based - LT-Cash Credit	LT	553.89	CARE A+; Stable	-	1)CARE A+; Stable (20-Dec-24)	1)CARE A-; Stable (05-Jan-24)	1)CARE A-; Stable (13-Dec-22)
3	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE A+; Stable (20-Dec-24)	1)CARE A-; Stable (05-Jan-24)	1)CARE A-; Stable (13-Dec-22)
4	Non-fund-based - ST-BG/LC	ST	197.65	CARE A1	-	1)CARE A1 (20-Dec-24)	1)CARE A1 (05-Jan-24)	1)CARE A1 (13-Dec-22)
5	Non-fund-based - LT/ ST-BG/LC	LT/ST	100.00	CARE A+; Stable / CARE A1	-	1)CARE A+; Stable / CARE A1 (20-Dec-24)	1)CARE A-; Stable / CARE A1 (05-Jan-24)	-

LT: Long term; ST: Short 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-Cash Credit	Simple
2	Fund-based - LT-External Commercial Borrowings	Simple
3	Fund-based - LT-Term Loan	Simple
4	Non-fund-based - LT/ ST-BG/LC	Simple
5	Non-fund-based - ST-BG/LC	Simple

**Annexure-5: Lender details**To view lender-wise details of bank facilities please [click here](#)

**Annexure-6: List of entities consolidated**

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	PGP Glass Ceylon Plc	Full	Subsidiary
2	PGP Glass US, Inc	Full	Subsidiary
3	PGP Glass Europe SRL	Full	Subsidiary
4	Ansa Deco Glass Private Limited	Full	Subsidiary
5	Kosamba Glass Deco Private Limited	Full	Subsidiary
6	PGP Glass Middle East FZCO	Full	Subsidiary

**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](mailto:care@careedge.in) for clarifications.

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