

## RD Brown Box Packaging Private Limited

December 01, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	33.11 (Reduced from 35.33)	CARE BB; Stable	Reaffirmed
Short Term Bank Facilities	6.00 (Enhanced from 4.00)	CARE A4	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

Ratings assigned to the bank facilities of RD Brown Box Packaging Private Limited (RDBPL) continue to be constrained by leveraged capital structure, highly fragmented and competitive nature of the business segment, which features numerous players. The ratings, however, derive strength from the promoter's extensive experience of over three decades in the packaging industry and a reputed customer base.

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

#### Positive factors

- Growth in scale of operation above ₹150 crores while maintaining a profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 12% on a sustained basis.
- Improvement in total debt/gross cash accruals (GCA) below 5x on a consistent basis.

#### Negative factors

- Decline in operating margin below 8% on a continuous basis and overall gearing above 3.50x.
- Elongation in operating cycle or stretch in working capital indicators.

**Analytical approach:** Standalone

### Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the operations of the company will continue to remain stable in the medium term, deriving benefits from the extensive experience of promoters in the corrugated box industry.

### Detailed description of key rating drivers:

#### Key weaknesses

##### Moderately leveraged capital structure and debt coverage indicators

Capital structure of the company is moderately leveraged marked by an overall gearing ratio of 1.43x as on March 31, 2025 (PY: 1.66x). The company has non-interest-bearing subordinated unsecured loan from related parties worth Rs 5.97 crores as of March 31, 2025, which is treated as quasi equity. Debt coverage indicators remained moderate despite improvement in total debt/GCA ratio to 6.47x (PY: 9.31x) and an interest coverage ratio of 2.68x (PY:1.96x) in FY25.

##### Highly fragmented and competitive business segment due to presence of several players

The Indian packaging sector is known for its intense competitiveness, and RDBPL's expansion is intricately tied to the fortunes of the engineering industry in India. Moreover, the growth of the corrugated box packaging sector faces challenges due to the availability of alternative, more durable packaging materials such as plastic and tin. With developing importance on sustainable packaging solutions and eco-friendly material usage, speedier adoption and adaptability to green packaging solutions by the company is critical to stay competitive to meet the demands of FMCG OEM customers. Consequently, the company is confronted with strong competition from other packaging manufacturers in the medium term.

#### Key strengths

##### Established track record and experience of the promoter for more than three decades in the packaging industry

The company originated as a partnership venture under the leadership of Bhagawan Doss Kuppaswamy in 1984, eventually transitioning into a private limited corporation in 2005. The company's functions are jointly overseen by Bhagawan Doss

<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.

Kuppuswamy and his wife, Rajumala Bhagavan Doss, with additional support from functional department heads and other family members.

### Long standing relationship with its reputed customer base

The company's revenue is primarily generated from three key segments: automotive, general (including lift and heavy equipment), and white goods. Each segment contributes approximately 30% to the total operating income (TOI), with the remaining share coming from other sectors. Leveraging the promoters' extensive experience in the packaging industry, the company has built strong relationships with enterprises across these segments. RDBPL's clientele spans diverse industries such as FMCG, logistics, automotive, and industrial products. The top five customers accounted for nearly 75% of TOI in FY25 (PY: 63%). While the customer base is moderately concentrated, the company's long-standing relationships with these clients help mitigate associated risks to a certain extent.

### Increasing scale of operations

The company has recorded a significant improvement in scale over the past five years, achieving a CAGR of 22%, though it remains moderately sized. In FY25, TOI grew by 21%, aided by additional orders from existing clients, reaching ₹95.37 crore (PY: ₹79.10 crore) and ₹61.56 crore in H1 FY26. However, PBILDT margins have remained volatile in the range of 7–11% over the last five years ended FY25, primarily due to fluctuations in raw material costs and rising employee expenses.

### Liquidity: Stretched

Liquidity position is stretched marked by its tightly matched cash accruals against debt repayment obligations for FY26. The company has cash & bank balances to the tune of ₹1.99 crore as on March 31, 2025, and average utilization of working capital limits stood at 95% for the last 12 months ended October 2025. Current ratio stood at 1.17x as on March 31, 2025 (PY: 1.27x).

**Assumptions/Covenants:** Not applicable

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

### Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Paper & Paper Products](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

### About the company and industry

#### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Forest Materials	Paper, Forest & Jute Products	Paper & Paper Products

RDBPL was initially established as a partnership firm by Bhagawan Doss Kuppuswamy and his spouse, Rajumala Bhagavandoss in the year 1984, in Chennai, Tamil Nadu. The firm was later reconstituted as a Private Limited in the year 2005. The entity is engaged in the manufacturing of corrugated boxes (packing material) for various industries with installed capacity of 37500 MT per annum as on date.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	September 30, 2025 (UA)
Total operating income	79.10	95.37	61.56
PBILDT	8.64	9.28	4.57
PAT	2.05	3.06	--
Overall gearing (times)	1.66	1.43	--
Interest coverage (times)	1.96	2.67	--

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

**Status of non-cooperation with previous CRA:**

CRISIL Ratings Limited (CRISIL) classified the ratings of RDBPL under the “Issuer Not Cooperating” category, based on best available information, vide press release dated April 29, 2025. The classification was due to non-furnishing of information for monitoring the rating and non-payment of surveillance fees.

**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-Cash Credit		-	-	-	24.00	CARE BB; Stable
Fund-based - LT-Term Loan		-	-	01-12-2030	9.11	CARE BB; Stable
Non-fund-based - ST-ILC/FLC		-	-	-	6.00	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-Cash Credit	LT	24.00	CARE BB; Stable	-	1)CARE BB; Stable (14-Nov-24)	1)CARE BB-; Stable (25-Oct-23)	1)CARE BB-; Stable (18-Nov-22) 2)CARE B; Stable; ISSUER NOT COOPERATING* (17-Oct-22)
2	Fund-based - LT-Proposed fund based limits	LT	-	-	-	1)Withdrawn (14-Nov-24)	1)CARE BB-; Stable (25-Oct-23)	1)CARE BB-; Stable (18-Nov-22) 2)CARE B; Stable; ISSUER NOT COOPERATING* (17-Oct-22)
3	Fund-based - LT-Term Loan	LT	9.11	CARE BB; Stable	-	1)CARE BB; Stable (14-Nov-24)	1)CARE BB-; Stable (25-Oct-23)	1)CARE BB-; Stable (18-Nov-22) 2)CARE B; Stable; ISSUER NOT COOPERATING* (17-Oct-22)
4	Non-fund-based - ST-ILC/FLC	ST	6.00	CARE A4	-	1)CARE A4 (14-Nov-24)	1)CARE A4 (25-Oct-23)	1)CARE A4 (18-Nov-22)

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

LT: Long term; ST: 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-Term Loan	Simple
3	Non-fund-based - ST-ILC/FLC	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

<p><b>Media Contact</b></p> <p>Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a></p> <p><b>Relationship Contact</b></p> <p>Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a></p>	<p><b>Analytical Contacts</b></p> <p>Sandeep P Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1002 E-mail: <a href="mailto:sandeep.prem@careedge.in">sandeep.prem@careedge.in</a></p> <p>Ali Monish P E Assistant Director <b>CARE Ratings Limited</b> Phone: +91-44-2850 1021 E-mail: <a href="mailto:alimonish.p@careedge.in">alimonish.p@careedge.in</a></p> <p>Vishnu Raghavan R Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:Vishnu.Raghavan@careedge.in">Vishnu.Raghavan@careedge.in</a></p>
--	--

### About us:

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: [www.careratings.com](http://www.careratings.com)

### Disclaimer:

This disclaimer pertains to the ratings issued and content published by CARE Ratings Limited ("CareEdge Ratings"). Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. Any opinions expressed herein are in good faith and are subject to change without notice. The rating reflects the opinions as on the date of the rating. A rating does not convey suitability or price for the investor. The rating agency does not conduct an audit on the rated entity or an independent verification of any information it receives and/or relies on for the rating exercise. CareEdge Ratings has based its ratings/outlook on the information obtained from reliable and credible sources. CareEdge Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. The users of the rating should rely on their own judgment and may take professional advice while using the rating in any way. CareEdge Ratings shall not be liable for any losses that user may incur or any financial liability whatsoever to the user of the rating. The use or access of the rating does not create a client relationship between CareEdge Ratings and the user.

CAREEDGE RATINGS DISCLAIMS WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR OTHER WARRANTIES OR CONDITIONS, TO THE EXTENT PERMITTED BY APPLICABLE LAWS, INCLUDING WARRANTIES OF MERCHANTABILITY, ACCURACY, COMPLETENESS, ERROR-FREE, NON-INFRINGEMENT, NON-INTERRUPTION, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR INTENDED USAGE.

Most entities whose bank facilities/instruments are rated by CareEdge Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CareEdge Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. CareEdge Ratings does not act as a fiduciary by providing the rating. The ratings are intended for use only within the jurisdiction of India. The ratings of CareEdge Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades. CareEdge Ratings has established policies and procedures as required under applicable laws and regulations which are available on its website.

Privacy Policy applies. For Privacy Policy please refer to [https://www.careratings.com/privacy\\_policy](https://www.careratings.com/privacy_policy)

© 2025, CARE Ratings Limited. All Rights Reserved.

This content is being published for the purpose of dissemination of information. Any use or reference to the contents herein on an "as-is" basis is permitted with due acknowledgement to CARE Ratings. Reproduction or retransmission in whole or in part is prohibited except with prior written consent from CARE Ratings.

**For detailed Rating Report and subscription information,  
please visit [www.careratings.com](http://www.careratings.com)**