

## Shri Jagdamba Polymers Limited

December 29, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	-	-	Withdrawn
Short Term Bank Facilities <sup>^</sup>			Withdrawn
Long Term / Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING* and Withdrawn
Short Term Bank Facilities	-	-	Rating continues to remain under ISSUER NOT COOPERATING category; Reaffirmed at CARE A4; ISSUER NOT COOPERATING* and Withdrawn

Details of instruments/facilities in Annexure-1

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

<sup>^</sup>refers to credit exposure facility

### Rationale & Key Rating Drivers

CARE Ratings Ltd. (CareEdge Ratings) has reaffirmed and withdrawn outstanding rating of 'CARE BB; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING' (Double B; Outlook: Stable; ISSUER NOT COOPERATING /A four; ISSUER NOT COOPERATING) assigned to the bank facilities of Shri Jagdamba Polymers Limited (SJPL) with immediate effect. The above action has been taken at the request of SJPL and No Objection Certificate as well as No dues certificate received from the banks those have extended the facilities rated by CareEdge Ratings. Further, CareEdge Ratings has withdrawn the ratings assigned to the long term bank facilities and credit exposure limit of SJPL with immediate effect as the company has surrendered the facilities rated by us.

The ratings assigned to the bank facilities of SJPL remained constrained on account of its susceptibility of its profitability to volatile raw material prices and foreign exchange rates, Saleability risk associated with recently commissioned expansion project and competitive woven sacks industry and limited bargaining power with large supplier restricts the profitability. The ratings continue to derive strength from its experienced promoters, SJPL's established and long track record of operations with diverse industry application of its products and established relationship with its overseas customers. The ratings also factor growth in its scale of operations over past two years ended FY25 (A; FY refers to period April 1 to March 31) with healthy profitability and comfortable capital structure as well as debt coverage indicators.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of the key rating drivers

At the time of last rating dated June 05, 2025, the following were the rating weaknesses and strengths (updated based on information available from the client as well as stock exchange fillings)

#### Key Weaknesses

##### Profitability susceptible to raw material price volatility and foreign exchange rate fluctuation

SJPL's main raw material comprises plastic granules, which are crude derivatives. Hence, any sharp change in international crude oil prices and foreign exchange rate impacts raw material pricing for the company. The company normally follows order backed purchase for raw materials thereby insulating profitability from raw material price fluctuation risk to an extent. Further, SJPL generates substantial part of its total income from export which exposes it to the risk associated with forex rates. However, the risk is mitigated partially on account of the natural hedge available in the form of import of raw material. Moreover, company avails foreign currency borrowings against its exports which also provides natural hedge. Company also covers forex exposure through forward contracts depending upon the market scenario.

##### Competitive woven sacks industry and limited bargaining power with large supplier restricts the profitability

The industry is fragmented in nature due to the low entry barriers on account of low initial capital investment and ease of accessibility to technology. This results in increase in competition especially in the domestic market. Moreover, there are limited suppliers of its key raw material (plastic granules) in the domestic market due to the oligopolistic nature of the supply market, which results in limited bargaining power for SJPL. However, in order to partially mitigate the concentration risk, the company also sources the raw material from international suppliers.

<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.

### **Saleability risk associated with recently commissioned expansion project:**

SJPL has expanded its capacity from 12,000 MTPA to 20,500 MTPA within envisaged cost of Rs.46 crore. SJPL started commercial production from phase-I in December 2020 while the phase-II was commissioned in Q3FY21. The expanded capacity should provide further opportunity to grow its scale of operation. SJPL's products have high export potential considering growing demand from agriculture and infrastructure sectors. SJPL has already established customers in overseas market which limits saleability risk to certain extent. However, early ramp up in production and sales volumes and generation of envisaged returns from the project remains crucial for credit perspective.

### **Key Strengths:**

#### **Experienced promoter**

SJPL was promoted by Mr. Ramakant Bhojnagarwala, a first generation entrepreneur who has nearly five decades of experience in the textile and polymer industry. He monitors the overall operations of SJPL and plays an active role in managing its day-to-day operations. He is assisted by his son Mr. Hanskumar R. Agarwal, who is a graduate and has nearly two decades of experience in technical textile industry. The promoters are well supported by an experienced and qualified team of professionals. Moreover, promoters have also set-up another company; Shakti Polyweave Private Limited (SPPL) which is also engaged in similar line of operations. Both these companies operate under common management and have business linkages. While SJPL is publicly listed on the stock exchange, SPPL is an unlisted closely-held company.

### **Established and long track record of operations with diverse industry application of its products**

SJPL started its operation in May 1985, with manufacturing of plastic woven fabrics and bags and has track record of more than three decades in technical textile industry. SJPL's product portfolio includes polypropylene (PP)/ Polyethylene (PE) woven bags, fabric, Siltfence, Flexible Intermediate Bulk Containers (FIBC), geo-textile, ground cover, etc. which find application in packaging (storage and transportation of powdered, granulated or bulk products), infrastructure (soil erosion control, earth stabilization and act against biological degradation) and agriculture industry (unwanted weed suppression, soil moisture preservation, erosion control, resistance against attack by bacteria and ground insect).

### **Established relationship with customers**

Majority of SJPL's production is exported to countries such as United Kingdom (UK), United States of America (USA), China and some other European and Asian countries. SJPL has been successful in establishing a stable customer base in these countries. Although, it does not have any long-term agreements in place with its customers, SJPL has been able to secure repeat orders from its customers due to conformity to quality standards and specifications which mitigate the client concentration risk to a certain extent.

### **Improved scale of operations and healthy profit margins**

The scale of operations continued to improve, marked by a healthy growth of 32.56% in total operating income(TOI) and remained moderate of Rs. 481.48 crore in FY25 compared to Rs. 363.23 crore in FY24. Further in H1FY26, SJPL achieved total income of Rs.251.12 crore. Despite the increase in TOI, profitability has slightly moderated on account of increased operating costs however, remained healthy with PBILDT margin of 14.39% in FY25 as against 15.70% in FY24. PAT margin, however, has improved to 9.99% in FY25 from 8.89% in FY24, supported by lower finance costs. In absolute terms, PBILDT and PAT increased in line with increase in scale of operations and was satisfactory of Rs. 69.27 crore and Rs. 48.10 crore respectively during FY25 as against Rs. 57.01 crore and Rs. 32.27 crore respectively during FY24. In H1FY26 (UA) PBILDT and PAT remained at Rs. 36.75 crore and Rs. 23.14 crore respectively.

### **Comfortable capital structure and debt coverage indicators**

The capital structure has slightly moderated yet remained comfortable with overall gearing to 0.10x as on March 31, 2025 compared to 0.09x as on March 31, 2024. Debt coverage indicators improved significantly in FY25 owing to higher profitability in absolute terms and lower interest costs marked by interest coverage (PBILDT/Interest) improved to 12.82x in FY25 from 6.63x in FY24. Total Debt to GCA (TDGCA) also remained comfortable remained at 1.04 years as on March 31, 2025 as against 0.59 years as on March 31, 2024.

**Assumptions/Covenants:** Not Applicable

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

### **Applicable criteria**

[Withdrawal Policy](#)

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Manufacturing](#)

## About the company

Incorporated in May 1985, SJPL (ISIN: INE564J01026) was promoted by Mr. Ramakant Bhojnagarwala and his family members. SJPL is engaged in manufacturing of PP/ PE woven fabric, bag and various technical textile products which find its application in packaging, agriculture and infrastructure industries. As on December 31, 2020, SJPL had installed capacity of 20,500 Metric Tons per annum (MTPA) of woven fabrics and bags from its three units situated at Dholka, Dist: Ahmedabad.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	363.23	481.48	251.12
PBILDT	57.01	69.27	36.75
PAT	32.27	48.10	23.14
Overall gearing (times)	0.09	0.10	0.03
Interest coverage (times)	6.63	12.82	12.05

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

**Covenants of rated instrument / facility:** Annexure-3

**Complexity level of various 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		-	-	31-03-2027	0.00	Withdrawn
Fund-based - LT-Cash Credit		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.00	Withdrawn
Fund-based/Non-fund-based-LT/ST		-	-	-	0.00	Withdrawn
Non-fund-based - ST-Letter of credit		-	-	-	0.00	Withdrawn

**Annexure-2: Rating History of 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-Term Loan	LT	-	-	1) CARE BB; Stable; ISSUER NOT COOPERATING * (05-Jun-25)	1) CARE BB+; Stable; ISSUER NOT COOPERATING * (04-Jul-24)	1) CARE BB+; Stable; ISSUER NOT COOPERATING * (11-Apr-23)	-
2	Fund-based - LT-Cash Credit	LT	-	-	1) CARE BB; Stable; ISSUER NOT COOPERATING * (05-Jun-25)	1) CARE BB+; Stable; ISSUER NOT COOPERATING * (04-Jul-24)	1) CARE BB+; Stable; ISSUER NOT COOPERATING * (11-Apr-23)	-
3	Non-fund-based - ST-Credit Exposure Limit	ST	-	-	1) CARE A4; ISSUER NOT COOPERATING * (05-Jun-25)	1) CARE A4+; ISSUER NOT COOPERATING * (04-Jul-24)	1) CARE A4+; ISSUER NOT COOPERATING * (11-Apr-23)	-
4	Non-fund-based - ST-Letter of credit	ST	-	-	1) CARE A4; ISSUER NOT COOPERATING * (05-Jun-25) 2) CARE A4; ISSUER NOT COOPERATING * (29-Dec-25)	1) CARE A4+; ISSUER NOT COOPERATING * (04-Jul-24)	1) CARE A4+; ISSUER NOT COOPERATING * (11-Apr-23)	-
5	Fund-based/Non-fund-based-LT/ST	LT/ ST	-	-	1) CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING * (05-Jun-25) 2) CARE BB; Stable / CARE A4; ISSUER NOT COOPERATING * (29-Dec-25)	1) CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING * (04-Jul-24)	1) CARE BB+; Stable / CARE A4+; ISSUER NOT COOPERATING * (11-Apr-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 the rated instruments/facilities:** Not Applicable

**Annexure-4: Complexity level of the various 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	Fund-based/Non-fund-based-LT/ST	Simple
4	Non-fund-based - ST-Credit Exposure Limit	Simple
5	Non-fund-based - ST-Letter of credit	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](mailto:care@careedge.in) for clarifications.

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