

Harpritam Industries Private Limited

January 09, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.89 (Reduced from 9.00)	CARE BB; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of rating assigned to the Bank Facilities of Harpritam Industries Private Limited (HIPL) continue to remain constrained by small scale of operations, profitability susceptible to volatility in raw-material prices, intensively competitive nature of industry and working capital intensive nature of operations.

The ratings continue to derive comfort from the strong promoters' background, backward integration of operation for group's bottling business, strong group entities albeit high exposure to them, and moderate financial risk profile.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operations to more than Rs. 75 crores and PBILDT margin more than 8% on a sustained basis.
- Diversification and expansion of customer base.
- Substantial improvement in capital structure by way of increase in net worth base on a sustained basis.

Negative factors

- Any debt laden capex leading to deterioration in overall gearing ratio above 2x on a sustained basis.
- PBILDT margin of the company falling below 5% on a sustained basis.

Analytical approach: Standalone.

Outlook: Stable

Stable outlook reflects that despite small scale of operation, the entity is likely to sustain its stable business risk profile due to its strong promoter background and benefits accruing from the integrated nature of operations. Also, the company is expected to benefit from capex undertaken which will lead to improvement in operational and financial performance, as well as a reduction in dependence on group entities.

Detailed description of key rating drivers:

Key weaknesses

Small scale of operations albeit improvement post completion of capacity enhancement

HIPL is a small player in the corrugated packaging manufacturing industry, with an installed capacity of around 3.5 crore boxes per year. The production increased from 60.97 lakhs boxes in FY24 to 68.83 lakhs boxes in FY25. The company generated a revenue of Rs.22.15 crore (PY: Rs.18.62 crore) with PBILDT margin improving from 7.26% in previous year to 8.69% FY25 backed by higher volume sold.

The company has successfully stabilized its capacity enhancement initiatives. The project of ~₹6.50 crore was funded through a term loan of ₹ 4.00 crore and the balance from internal accruals. With the increased capacity, performance improved in FY25 and the company has already generated revenue of ₹ 17.60 crore till H1FY26.

Profitability susceptible to volatility in raw-material prices:

Kraft paper, which constitutes approximately 85-90% of the cost of sales, is the primary raw material for HIPL. Due to its price volatility and lack of substitutes, any significant fluctuations in the cost of kraft paper can adversely impact HIPL's profitability.

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

Intensively competitive nature of industry:

The corrugated packaging industry is highly fragmented, predominantly consisting of micro, small, and medium enterprises (MSMEs). This leads to an oversupply situation and low entry barriers. Consequently, the industry is price competitive, with end-users having significant bargaining power due to their bulk purchase requirements, making it challenging for manufacturers to maintain price flexibility.

Working capital intensive nature of operations:

The working capital cycle of the company improved substantially; however, it remained moderate, marked by an operating cycle of 51 days in FY25 compared to 139 days in FY24 owing to high collection period of 114 days in FY25 compared to 171 days in FY24. However, with diversification of client base going forward, the collection period is expected to improve gradually.

Key strengths**Strong promoters and group entities albeit high exposure to group companies:**

HIPL is a part of Bhatia group, which is an established business group of Chhattisgarh with presence in diverse industries. The group is mainly engaged in the manufacturing & selling of alcohol & beverages. The group also provides bottling services to major Indian Made Foreign Liquor (IMFL) manufacturers in India (like Pernod Ricard, Radico Khaitan, Allied Blenders & Distilleries). The group is also engaged in construction & real estate development, coal washeries, etc.

HIPL had significant exposure to its group companies in the form of strategic equity investment, loans & advances along with trade receivables against the sales.

Backward integration of operation for group's bottling business

As part of backward integration plan for its group's bottling business, the promoters set up a manufacturing facility of corrugated boxes in HIPL. Around 71% of HIPL's revenue in FY25 (PY: ~73%) was derived from sales to group companies - Bhatia Wines Merchant Private Limited (rated CARE BBB-; Stable) and Golden Prince Wines India Private Limited (rated CARE BBB-; Stable).

The company is in the process of diversifying its client base in the current financial year. The company has aggressively started supplying to other companies, outside the group, which includes Parle Agro, Allied Blenders & Distillers (ABD) and Radico Khaitan..

As a result, reliance on group companies has moderated with only ~63% of the revenue from the group companies in H1FY26. Going forward, is expected to gradually decline to ~40-45% with the onboarding of clients from diversified industries beyond alcohol.

Moderate financial risk profile

The entity's capital structure stood moderate, with an overall gearing of 1.32x as of March 31, 2025 (1.38x as of March 31, 2024). Its debt profile comprises external debt in the form of working capital borrowings, term debt taken for the capacity enhancement project and unsecured loans from group companies.. The debt coverage indicators remained in line, despite improvement supported by higher profit generation, marked by adequate profit before interest, lease rentals, depreciation, and taxation (PBILDT) interest coverage of 2.80x in FY25 (FY refers to April 01 to March 31) compared to 2.22x in FY24 and high total debt to gross cash accruals (TD/GCA) of 9.49x in FY25 compared to 14.11x in FY24. Going forward, the capital structure is expected to improve with no further debt-funded capex planned and improvement in scale of operations.

Liquidity: Adequate

Liquidity is adequate with sufficient cushion in accruals compared to negligible debt repayment obligations in FY25 (FY refers to April 01 to March 31). HIPL reported gross cash accruals (GCA) of ₹1.66 crore in FY25. The company has a term debt repayment obligation of ₹0.68 crore in FY26, which is expected to be met comfortably out of internal accruals. The ₹5.00 crore cash credit limit had a utilisation level of ~83% as of November 30, 2025. HIPL had an unencumbered cash & bank balance of Rs. 0.35 crore as on Mar 31, 2025.

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](#)

About the company and industry

Industry classification

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

HIPL (erstwhile known as Goldy Infrastructure Pvt. Ltd) incorporated in 1997, is engaged in the manufacturing & selling of corrugated boxes, based in Bilaspur, Chhattisgarh with an installed capacity of 8820 MTPA (enhanced from 4,800 MTPA). HIPL is a part of the Bhatia group of companies, which are primarily engaged in manufacturing & selling of alcohol & beverages in Chhattisgarh. HIPL commenced commercial production of corrugated boxes from Apr 01, 2012 as a backward integration initiative for packaging purpose for the bottling business of its group entities.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)
Total operating income	18.62	22.15
PBILDT*	1.35	1.93
Profit after tax (PAT)	0.75	0.98
Overall gearing (x)	1.38	1.32
Interest coverage (x)	2.22	2.80

A: Audited, 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	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	5.00	CARE BB; Stable
Fund-based - LT-Term Loan		-	-	February 2031	2.89	CARE BB; Stable

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	5.00	CARE BB; Stable	-	1)CARE BB; Stable (10-Feb-25) 2)CARE BB; Stable (02-Apr-24)	-	1)CARE BB; Stable (30-Mar-23)
2	Fund-based - LT-Term Loan	LT	2.89	CARE BB; Stable	-	1)CARE BB; Stable (10-Feb-25)	-	-

LT: Long 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

Annexure-5: Lender detailsTo 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>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>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: +91-22-6754 3444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Arindam Saha Director CARE Ratings Limited Phone: +91-033- 4018 1631 E-mail: arindam.saha@careedge.in</p> <p>Abhishek Khemka Associate Director CARE Ratings Limited Phone: +91-033- 4018 1647 E-mail: Abhishek.khemka@careedge.in</p> <p>Soumadip Kumar Lead Analyst CARE Ratings Limited E-mail: Soumadip.Kumar@careedge.in</p>
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