Sarvesh Multi Plast India Private Limited

April 07, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	75.00	CARE BBB-; Stable	Assigned
Short-term bank facilities	2.00	CARE A3	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities of Sarvesh Multi Plast India Private Limited (SMPPL) derive strength from extensive experience of its promoters, diversified product profile, growing scale of operations, healthy profit before interest, lease rentals, depreciation and taxation (PBILDT) margins and comfortable financial risk profile. However, ratings are constrained by fragmented nature of the polyvinyl chloride (PVC) and unplasticized PVC (uPVC) industry, high dependence on the cyclical real estate industry, and profitability susceptible to volatile raw material prices.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Successfully complete the ongoing capex and improve scale of operations above ₹300 crore with PBILDT margins above 15% on a sustained basis.
- Improvement in total debt to PBILDT below 1.5x on a sustained basis.

Negative factors

- Decline in total operating income (TOI) below ₹150 crore and PBILDT margin below 10% on a sustained basis.
- Deterioration in capital structure resulting in overall gearing increasing above 1.5x.

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the company's operations will continue to remain stable in the medium term, supported by its experienced promoters, diversified distributor network and a growing market for uPVC profiles in India.

Detailed description of key rating drivers:

Key strengths

Experienced promoters

SMPPL was incorporated in 2009 by Govindaswamy as a private company. Day-to-day operations are overseen by Govindaswamy, who brings over 25 years of industry experience, together with his son, Sarvesh Nithil, who has five years of experience. Prior to SMPPL, Govindaswamy established Cheran Plastics in 1980, engaged in manufacturing PVC door profiles. Cheran Plastics continues to operate, catering to the economical segment of PVC doors, while SMPPL focuses on the premium segment. He also founded Sakthi Super Market India Private Limited in 2001, serving as director until 2008, before incorporating SMPPL. The company markets its exclusive uPVC windows and doors under the brand 'Sarvesh Eroline,' which is an ISI-certified uPVC brand.

Diversified product profile

SMPPL offers a diversified product portfolio that includes uPVC profiles, uPVC windows, casement and sliding series windows, wooden doors, skin and membrane doors, PVC doors, foam boards, and 2D, 3D, and digitally printed doors. In FY25, PVC doors and frames constituted the dominant revenue stream, contributing ~62.5% of total income, followed by uPVC windows and frames at 32.5%, while other product segments accounted for the remaining ~5% of revenue. The company provides door customisation and printing services with over 3,000 unique design options. The company markets its exclusive uPVC windows and doors under the brand 'Sarvesh Eroline,' which is recognised as India's first ISI-certified uPVC brand. All products are ISI-certified, reflecting the company's strict compliance with quality control standards.

Wide distributor network

The company operates sales offices in Bengaluru, Ghaziabad and Hyderabad and with a distribution network of over 250 dealers across India. The customer profile remained relatively well diversified, with top 10 customers contributing ~29% of total revenue

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

in FY25 (previous year: 35%), indicating moderate customer concentration risk. Geographically, revenue was largely concentrated in Tamil Nadu (~55%), followed by Karnataka (18%) and Kerala (16%). Telangana contributed ~4%, while the balance revenues were derived from Andhra Pradesh, Uttar Pradesh, and Bihar.

Growing scale of operations and healthy PBILDT margins
The company demonstrated consistent operating income growth at a compounded annual growth rate (CAGR) of 15.15% in the last four years, supported by rising demand and improved capacity utilisation. It reported operating income of ₹200.27 crore in 9MFY26. PBILDT margins have generally remained healthy in the 10–14% range, though they dipped to 8.86% in FY23 due to elevated raw material costs; however, the company retains the ability to pass on such cost increases to customers with a time lag. Margins rebounded to 17.54% in 9MFY26, aided by savings from captive power facilities. Ongoing capex for capacity expansion and acquisition of assets from another operational entity is expected to enhance scale and strengthen operating performance in the medium term.

Comfortable capital structure
The company's capital structure remains comfortable with gearing at 0.73x as of March 31, 2025 (PY: 0.94x), aided by healthy accretion to reserves. Net worth improved to ₹69.78 crore (PY: ₹52.87 crore). The company is undertaking capacity expansion through nine new extrusion lines at a cost of ₹26 crore, financed partly by term loans and promoter contributions, with operations expected to commence in FY27. In addition, the company intends to acquire operational assets of another entity, which operates in the same line of business at a total cost of ₹43 crore, largely funded through term loans and internal accruals. Despite these debt-funded initiatives, gearing is expected to remain below unity, while interest coverage stood strong at 11.59x in FY25 (PY: 7.62x).

Key weaknesses

Fragmented nature of industry and high dependence on performance of the real estate sector
The Indian uPVC windows and doors market is set for strong growth, driven by demand for energy-efficient and durable materials, urbanisation, and government initiatives. While adoption is rising, challenges such as consumer awareness and price sensitivity in non-metro areas persist. The market remains fragmented, dominated by small, unorganised players offering low-cost options in tier-2 and tier-3 cities. Demand is closely tied to real estate trends, exposing SMPPL to sector slowdowns. Parallelly, the Indian PVC doors market is expanding, driven by affordability, ease of installation, and suitability for cost-sensitive residential and commercial applications. PVC doors are particularly popular in non-metro regions, though the segment also faces fragmentation and quality concerns.

Profitability susceptible to volatile raw material prices
PVC resin accounts for 60–70% of SMPPL's raw material cost, and is subject to price volatility, impacting profitability. PVC prices in India have surged dramatically in March 2026, due to the ongoing Iran–US war and the Middle East conflict, with domestic resin prices rising ~78% since February and producers including Reliance and Chemplast hiking rates by up to ₹60/Kg. Closure of the Strait of Hormuz disrupted petrochemical supply chains, causing severe input cost inflation and squeezing margins for downstream industries. However, premium pricing, benefits from economies of scale, higher realisations and strong supplier relationships help mitigate this risk. As a result, PBILDT margins have remained stable at 11.5-13.5% in the last four years with the exception of FY23.

Liquidity: Adequate

The company's liquidity profile remains adequate marked by sufficient cash accruals against debt repayment obligation of ₹12.56 crore in FY27. Operating cycle remains comfortable at 66 days in FY25 (PY: 58 days). The company holds inventory for ~30-45 days. The company provides credit period of 30-45 days to its customer. Around 60% of its raw materials are procured on cash basis with other suppliers offering a credit period of 15-20 days. The company also avails discounts on early cash payments from its suppliers. Average utilisation of working capital limits remains at ~91% for 12-months ended February 2026. Unencumbered cash balance stands at ₹4.07 crore as of March 31, 2025, and current ratio stood comfortable at 1.69x as on March 31, 2025.

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]
[Financial Ratios – Non financial Sector]
[Short Term Instruments]

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Plastic products - consumer

Headquartered in Erode, Tamil Nadu, SMPPL was incorporated in 2009 by Govindaswamy as a private company. The company manufactures PVC and uPVC products. SMPPL operates manufacturing facilities in Erode and Perundurai, Tamil Nadu. The company also maintains sales offices in Bengaluru, Hyderabad, and Ghaziabad. Day-to-day operations are managed by Govindaswamy, who has over two decades of experience in the industry and he is supported by his son, Sarvesh Nithil.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	195.22	238.32	200.27
PBILDT*	23.26	32.33	35.14
Profit after tax (PAT)	10.34	16.94	NA
Overall gearing (x)	0.94	0.73	NA
Interest coverage (x)	7.62	11.59	NA

A: Audited UA: Unaudited NA: Not Available; 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 (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		-	-	-	20.00	CARE BBB-; Stable
Fund-based - LT-Term Loan		-	-	September 2032	55.00	CARE BBB-; Stable
Non-fund-based - ST-Letter of credit		-	-	-	2.00	CARE A3

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-Term Loan	LT	55.00	CARE BBB-; Stable				
2	Fund-based - LT-Cash Credit	LT	20.00	CARE BBB-; Stable				
3	Non-fund-based - ST-Letter of credit	ST	2.00	CARE A3				

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-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 for clarifications.

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