Injecto Polymers Limited

May 04, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	167.00	CARE BB+; Stable	Assigned
Long Term / Short Term Bank Facilities	33.00	CARE BB+; Stable / CARE A4+	Assigned

Details of instruments/facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-6.

Rationale and key rating drivers

Ratings assigned to bank facilities of Injecto Polymers Limited (IPL) remain constrained by geographic concentration risk, moderate capital structure and modest debt protection metrics, working capital intensive operations leading to elongated operating cycle, prevailing competition in flexible packaging segment and profit margins susceptible to volatility raw material price and currency exchange rate. CARE also takes note of upcoming capex ~₹29 crore to be funded through IPO proceeds or debt in case of delay in IPO.

The company derive strength from extensive experience of its promoters in polymer based packaging industry, diverse product portfolio catering to different industries amid geographic concentration, satisfactory financial performance in FY25 and FY26 amid increasing scale of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant increase in scale of operation.
- Improvement in its gearing below 1.2x and TD/GCA below 8x on sustained basis.

Negative factors

- Large-sized debt funded capex, resulting in deterioration in capital structure with overall gearing of over 2.5x
- Deterioration in operating cycle beyond 150 days on sustained basis.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CARE Ratings Limited's (CARE Ratings') expectations that the company shall continue to benefit from extensive experience of its promoters in poly-propylene bag manufacturing industry.

Detailed description of key rating drivers:

Key weaknesses

Moderate capital structure and modest debt protection metrics

Despite improvement in overall gearing from 3.92x as on March 31, 2024 to 2.14x as on March 31, 2025, driven by conversion of ₹18 crore of convertible debentures into equity and accretion of profits to reserves, the company's capital structure continues to remain leveraged, constraining financial flexibility. The debt profile predominantly comprises working capital facilities and term loans. Total Outside Liabilities to Tangible Net Worth (TOL/TNW), although still elevated, improved to 2.55x as on March 31, 2025, from 4.59x as on March 31, 2024. Although interest coverage and TD/GCA ratio improved from 2.00x and 13.76x in FY24 to 2.39x and 8.82x in FY25, it continues to remain modest.

The company is planning to enhance its installed capacity at a cost of around ₹29 crore, proposed to be funded through initial public offering (IPO) proceeds. The Draft Red Herring Prospectus (DRHP) was filed in September 2025; however, the Red Herring

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

Prospectus (RHP) is yet to be filed. In case of delay in IPO due to USA-Iran war related uncertainties, the management plans to avail debt to fund the capex.

Working capital intensive operations leading to elongated operating cycle

IPL's operations are inherently working capital intensive, owing to the requirement to maintain substantial inventory levels of raw materials and finished goods. The average inventory holding period, although still elevated, improved to 88 days in FY25 from 141 days in FY24, reflecting improved inventory management. The average collection period improved to 46 days in FY25 from 102 days in FY24, supported by lower credit extended on trading sales due to a higher proportion of revenues being derived from trading activity. The working capital cycle, although still elevated, improved to 113 days in FY25 as compared to 170 days in FY24.

Due to the ongoing war between USA-Iran in the Middle East, prices of key raw materials increased by around 30–40%, adversely impacting the company's cost structure. However, the company maintains adequate inventory levels of ~90 days which provides a buffer against immediate price volatility. The company has made inventory gains on earlier purchased inventory at lower cost. In response to the rising input costs, the company expects some demand moderation in demand in the short term. However, the larger clients have maintained their procurement to ensure steady operations. This helped the company to maintain sales volume and operating margins till now.

Given the ongoing geopolitical uncertainty, management remains cautious on the near-term outlook, monitoring input cost trends and demand conditions closely while maintaining operational flexibility to respond to further volatility.

Prevailing competition in flexible packaging segment and profit margins susceptible to volatility raw material price and currency exchange rate

IPL operates in a highly competitive and fragmented flexible packaging industry, characterized by the presence of numerous small as well as large domestic players. The intense competitive landscape constrains pricing flexibility and exerts pressure on margins, particularly in standardized product segments.

The Company's profitability remains susceptible to volatility in raw material prices, especially polymers, which constitute a significant proportion of its overall cost structure. Any sharp fluctuations in polymer prices may adversely impact operating margins, particularly where cost escalations cannot be passed on in a timely manner to customers. The company partially hedges (~50%) its foreign currency exposure thereby mitigating currency exchange risk to some extent. The company has booked foreign exchange gain of ~₹ 0.06 crore each in FY24 and FY25 respectively.

Key strengths

Extensive experience of its promoters in bag manufacturing industry

The Company is led by an experienced promoter group having three decades of experience in poly-propelyne bag manufacturing industry, leading to established relationships with customers as well as suppliers. Mr. Ramesh Kumar Rateria, Chairman & Managing Director and a Chartered Accountant, has three decades of experience. Mr. Ashok Kumar Rateria, with 35 years of experience, heads the marketing function.

Diverse Product Portfolio catering to different industries amid geographic concentration

Injecto Polymers manufactures a wide range of packaging products, including PP/HDPE woven fabrics & bags, BOPP bags, Leno bags, LD & polyester pouches, FIBC bags, and non-woven bags, serving multiple sectors like agriculture, food, pharmaceuticals, textiles, chemicals, and construction. Their product portfolio serves a wide range of industries, including agriculture, food processing, cement, textiles, chemicals, fertilizers, and consumer goods, reducing dependency on any single sector. Around 75-80% of sales is being dericed from West Bengal indicating geographic concentration.

Satisfactory financial performance in FY25 and FY26 amid increasing scale of operations

Total Operating Income (TOI) registered a strong compounded annual growth rate (CAGR) of 51.93% over the five-year period ended FY25. In FY25, TOI increased significantly by 140% year-on-year to ₹261.54 crore, primarily attributable to a significant scale-up in trading volumes of plastic granules and polyvinyl chloride (PVC) amid transfer of trading business from Hind Polyfab (group entity) into Injecto.

The company has consistently increased its installed capacity from 6,800 metric tonnes (MT) per annum (p.a.) in FY23 (financial year ended March 31, 2023) to 10,870 MT p.a. in FY25, supported by near-full capacity utilisation. In FY26, capacity has further increased to 11,270 MT p.a.

However, margins moderated, with PBILDT moderated to 8.62% (PY: 11.45%) and PAT margin to 3.08% (PY: 4.09%), mainly due to higher share of sales being derived from trading business (28% and 53% in FY24 and FY25 respectively) and increased selling expenses.

In 9MFY26, the company reported an improvement in PBILDT margin to 11.49% on TOI of ₹240 crore, driven by a decline in raw material costs and a higher proportion of sales being derived from manufacturing activities. Manufacturing revenue increased to 51% of TOI in 9MFY26 as against 47% in FY25.
In FY26, the company reported a PAT of ₹15.71 crore on TOI of ₹376.18 crore.

Liquidity: Adequate
The liquidity of the company is adequate, supported by gross cash accruals (GCA) of around ₹18-19 crore against debt repayment obligations of ₹5.21 crore in FY26. Average working capital utilization for the 12 months ending December 31, 2025, remained moderate at around 80.76%.

Environment, social, and governance (ESG) risks: NA

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
Industrials	Capital Goods	Industrial Products	Packaging

Injecto Polymers Limited was originally incorporated as Injecto Polymers Private Limited on September 4, 1998 by Ramesh Kumar Rateria and Ashok Kumar Rateria. In July 2024, the Company was converted into a public limited company. IPL is a manufacturer of polymer-based packaging solutions, serving a broad range of industries including fertilizer, food, pharmaceuticals, steel, cement, construction and consumer goods. Its product portfolio includes PP woven fabrics and bags, BoPP bags, Leno bags, pouches, FIBC bags and non-woven bags. The Company operates 2 manufacturing facilities in West Bengal.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	109.18	261.54	240.34
PBILDT*	12.50	22.55	27.61
Profit after tax (PAT)	4.47	8.05	12.43
Overall gearing (x)	3.92	2.14	NA
Interest coverage (x)	2.00	2.39	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		-	-	-	167.00	CARE BB+; Stable
Non-fund-based - LT/ ST-BG/LC		-	-	-	33.00	CARE BB+; Stable / 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 2026-2027	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
1	Fund-based - LT-Cash Credit	LT	167.00	CARE BB+; Stable				
2	Non-fund-based - LT/ ST-BG/LC	LT/ST	33.00	CARE BB+; Stable / CARE A4+				

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	Non-fund-based - LT/ ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the rating reports subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details along with names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026, and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

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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