

Rajshree Polypack Limited

October 01, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long Term / Short Term Bank Facilities	RBI	56.04 (Enhanced from 2.00)	CARE BBB+; Stable / CARE A2	Rating removed from ISSUER NOT COOPERATING category and LT rating and Stable outlook assigned and ST rating upgraded from CARE A4
Long Term Bank Facilities	RBI	31.95	CARE BBB+; Stable	Assigned
Long Term Bank Facilities	RBI	25.50 (Enhanced from 6.50)	CARE BBB+; Stable	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE B+; Stable
Long Term Bank Facilities	RBI	-	-	Withdrawn
Short Term Bank Facilities	RBI	-	-	Withdrawn

LT: Long Term; ST: Short Term; Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) had earlier placed the ratings outstanding on the bank facilities of Rajshree Polypack Limited (RPPL) under the 'ISSUER NOT COOPERATING' category, as RPPL had not provided requisite information for the rating exercise agreed to in its Rating Agreement. CareEdge Ratings has now carried out a detailed review of the ratings based on the data shared by the company and ratings stand upgraded to 'CARE BBB+; Stable/ CARE A2'.

The assigned ratings factor in RPPL's long track record and established market position in the plastic-based rigid packaging products industry with integrated operations across extrusion, thermoforming, injection moulding, sleeving and printing which allows the company to offer a wide portfolio of value-added products to its customers in the food supply industry. The ratings derive strength from RPPL's reputed customer base with a track record of repeat business and cost-plus business model with a track record of stable profitability despite volatile input costs providing healthy revenue visibility. RPPL's total operating income grew at a compounded annualised growth rate (CAGR) of ~14% over the last four years to ~₹333 crore in FY26, backed by rising sales volumes, while maintaining healthy profit before interest, lease rent, depreciation and taxation (PBILDT) margin in the range of 12-14% over FY22 to FY26 translating into healthy cash accruals. CareEdge Ratings expects RPPL's revenue to grow by 15-18% year-over-year (y-o-y) in FY27 aided by steep rise in input costs owing to West Asia conflict, amidst steady demand from customers, while maintaining healthy PBILDT margin over the medium term.

RPPL set up a joint venture, Olive Ecopak Private Limited (OEPL; rated CARE BBB-; Stable / CARE A3), wherein it holds 50.10% equity stake while the balance is held by Mr. Rajesh Jain (promoter of Oracle Polyplast Group). OEPL has set up an eco-friendly paper-based packaging products facility in Gujarat to diversify the group's product portfolio and expand the target market amidst changing demand patterns in the light of tightening regulations and evolving consumer preferences. OEPL commenced commercial operations from H2 FY25 and has achieved PBILDT breakeven in FY26 despite nascent stages of operations. RPPL has extended corporate guarantee towards the entire borrowing of ~Rs. 135 crore of OEPL. Further, RPPL has extended sizeable financial support of ~Rs. 42 crore as on March 31, 2026 as initial equity and loans to OEPL to support the construction of manufacturing facilities and fund initial losses and is expected to continue to support OEPL's operations owing to contractual obligations and its strategic importance to the operations.

Considering the corporate guaranteed debt obligations, RPPL's capital structure and debt coverage metrics remains moderate with overall gearing and TOL/TNW of 1.43x and 1.65x, respectively, as on March 31, 2026, and total debt/PBILDT at 5.64x in FY26, which constrains the ratings. The ratings also consider the working capital intensive nature of operations owing to sizeable inventory holding requirements. The company also remains exposed to intense competition from other established players in the industry as well as evolving consumer preferences which may impact its business performance.

CareEdge Ratings has withdrawn the ratings outstanding on earlier term loans, bank guarantee and working capital facilities from HDFC Bank and IndusInd Bank with immediate effect at the request for withdrawal of the rating received from the company and based on the 'no dues certificate' received from the lender(s) that had extended the rated facility, in line with CareEdge Ratings' withdrawal policy.

¹SEBI: 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

²Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant improvement in scale of operations and profitability leading better cash accruals on a sustained basis.
- Improvement in Total debt (including corporate guarantee)/ PBILDT below 3x on a sustained basis.
- Timely and profitable scale up of operations of newly incorporated manufacturing facilities.

Negative factors

- Significant decline in scale of operations and/or PBILDT margin below 10% putting pressure on cash accruals on a sustained basis.
- Higher-than-anticipated debt-funded capex or support extended to group entity leading to deterioration in TOL/TNW above 1.75x on a sustained basis.
- Significant stretch in working capital cycle putting pressure on liquidity.

Analytical approach: Consolidated while factoring in corporate guaranteed debt obligations

CareEdge Ratings has revised its analytical approach from standalone to consolidated financial statements of RPPL, along with its joint venture, owing to financial and operational linkages between the entities as detailed in Annexure-5. RPPL has extended a corporate guarantee towards the borrowings of its joint venture, which has been treated as debt.

Outlook: Stable

The Stable outlook on the long-term rating reflects CareEdge Ratings' expectations that the company will continue to maintain adequate debt coverage metrics while benefitting from its established clientele and experienced promoters.

Detailed description of key rating drivers

Key strengths

Reputed customer base with adequate revenue and margin visibility

RPPL has a diversified and reputed customer base comprising established players across the food, beverage, consumer products and packaging industries including major brands such as Amul, Tata Consumer Products, Café coffee day, Mother Dairy, Haldirams among others. The company has demonstrated a track record of repeat business with its key customers over the last five years indicating customer stickiness in the light of long vendor approval cycles. Additionally, more than 80% of RPPL's production is backed by confirmed orders which provides healthy revenue visibility. The share of top 10 customers in overall revenue has stood around 40% over the last four years with contribution from top customer in the range of 10-15% indicating healthy customer diversification of revenue. The company also derives ~20% of revenue from export market which also indicates some geographical diversification of revenue. The company follows a cost-plus pricing model with its major customers which aids in mitigating input cost volatility risks and lends stability to RPPL's profitability. The company's established and reputed customer base with healthy order book is expected to support its operations over the coming years.

Integrated nature of operations with wide product portfolio

The company operates an integrated manufacturing facility with in-house capacities for extrusion, thermoforming, injection moulding (exclusive tie-up with third party job workers), sleeving and printing. The integrated operations allow the company to capture a larger portion of the packaging value chain and maintain control over quality of products. Also, the company offers a wide portfolio of products spanning sheets, cups, barrier packaging containers, trays, etc. to cater to the needs of its customers. The company derives ~60% of revenue from sale of thermoformed plastic packaging products, including high-margin barrier packaging, while injection moulded products and sheets contribute ~20% of revenue each.

Extensive experience of promoters in the industry

The promoters, Mr. Ramswaroop Radheshyam Thard and Mr. Naresh Radheshyam Thard, have extensive experience of over two decades in the plastic packaging industry. Mr. Ramswaroop Thard, the Chairman and Managing Director, has over 30 years of experience in the plastic packaging industry and has been associated with the company since its incorporation, while Mr. Naresh Thard has over two decades of experience in the plastic industry and has been associated with the company since inception. Their industry experience, established relationships with customers and suppliers and understanding of market dynamics continue to support the company's operations and business growth.

Key weaknesses

Moderate capital structure and debt coverage metrics with sizeable corporate guaranteed debt obligations

RPPL's capital structure remains moderate with sizeable outstanding debt of ~Rs. 258 crore (including corporate guaranteed debt of joint venture of Rs. 135 crore) against net worth of ~Rs. 180 crore as on March 31, 2026 translating into overall gearing and TOL/TNW of 1.43x and 1.65x, respectively, as on March 31, 2026 (PY: 1.46x and 1.72x, respectively). Owing to nascent stages of operations of OEPL, the company could be required to extend further financial support to meet its debt servicing obligations over the near term. Considering the above, its debt coverage metrics remain moderate with total debt/PBILDT of 5.64x and debt service coverage ratio (DSCR) projected to remain in the range of 1.2-1.5x over the next 2 years. Timely scale-up of OEPL's operations coupled with improvement in debt coverage indicators remain key rating monitorable.

Working capital intensive operations

The company's operations remain working capital intensive, with the operating cycle remaining high in the range of 125-140 days over the last three years owing to sizeable inventory holding requirements as the company has integrated operations across multiple processes. Its average collection period stood at 55-65 days and average inventory holding period at 90-110 days over the last three years. The higher working capital requirement is largely inherent to the company's business operations and is funded through a combination of internal accruals and working capital borrowings. The high working capital requirements constrain the overall return metrics of the company.

Exposed to raw material price volatility, intense competition and evolving demand patterns

The company remains exposed to volatility in the prices of key raw materials, polyethylene terephthalate (PET) and Polypropylene (PP), which exhibit inherent volatility owing to they being crude derivatives. Nevertheless, the company has demonstrated its ability to pass on the volatile input costs to its customer translating into relatively stable profitability which mitigates the risk to an extent. RPPL's operations also remain exposed to intense competition from other established players in the industry as well as risks emanating from tightening of regulations around plastic-based packaging products which could put additional financial strain on its operations. The company also remains exposed to evolving consumer preferences away from plastic-based products owing to its customers' commitments towards environmental factors, which could impact its operations.

Liquidity: Adequate

The company's liquidity remains adequate with projected gross cash accruals of ₹35-40 crore per annum over the next 2-3 years against scheduled debt repayment obligations of ₹7-9 crores p.a. and maintenance capex of Rs. 4-5 crore p.a. Additionally, it has extended corporate guarantee towards the borrowings of its joint venture which has an annual repayment obligation of ₹10-12 crore and interest servicing obligation of ₹9-10 crores p.a. over the next 2 years. The average utilisation of fund-based limits remains at 88% for last 12 months ending June 2026 indicating adequate buffer. Current ratio and quick ratio stood at 1.28x and 0.55x respectively.

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](#)

[Withdrawal Policy](#)

[Short Term Instruments](#)

[Consolidation](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Packaging

Rajshree Polypack Limited (RPPL), originally established as a partnership firm in 2003, was reconstituted as a limited company in 2018. It manufactures plastic packaging products, such as rigid plastic sheets and thermoformed packaging containers, cups, bowls punnets, lids and trays for food packaging. It has a manufacturing unit at Daman in Daman and Diu and at Sarigam in Gujarat. Ramswaroop Radheshyam Thard and Naresh Thard are the promoters of the company. It is listed on the National Stock Exchange.

Brief Financials (₹ crore) - Consolidated	March 31, 2025 (A)	March 31, 2026 (A)	Q1 FY27 (UA)
Total operating income	329.82	333.46	102.91
PBILDT*	41.42	45.86	14.42
Profit after tax (PAT)	7.96	17.25	7.26
Overall gearing (x)	1.46	1.43	NA
Interest coverage (x)	4.34	4.29	5.91

A: Audited; UA: Unaudited; Note NA: Not Available: these are latest available financial results

*PBILDT: profit before interest, lease, 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

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:

A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

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

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	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	RBI	Simple	-	-	-	-	0.00	Withdrawn
Fund-based - LT-Cash Credit	RBI	Simple	-	-	-	-	25.50	CARE BBB+; Stable
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-03-2032	31.95	CARE BBB+; Stable
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-03-2021	0.00	Withdrawn
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	28-02-2022	0.00	Withdrawn
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-01-2022	0.00	Withdrawn
Fund-based - ST-Bill Discounting/ Bills Purchasing	RBI	Simple	-	-	-	-	0.00	Withdrawn
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	RBI	Simple	-	-	-	-	56.04	CARE BBB+; Stable / CARE A2
Non-fund-based - ST-Bank Guarantee	RBI	Simple	-	-	-	-	0.00	Withdrawn

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-Term Loan	LT	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jul-23)
2	Fund-based - LT-Cash Credit	LT	25.50	CARE BBB+; Stable	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jul-23)
3	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	56.04	CARE BBB+; Stable / CARE A2	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE A4; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE A4; ISSUER NOT COOPERATING* (21-Jul-23)
4	Non-fund-based - ST-Bank Guarantee	ST	-	-	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE A4; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE A4; ISSUER NOT COOPERATING* (21-Jul-23)

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
5	Fund-based - ST-Bill Discounting/ Bills Purchasing	ST	-	-	-	1)CARE A4; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE A4; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE A4; ISSUER NOT COOPERATING* (21-Jul-23)
6	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jul-23)
7	Fund-based - LT-Term Loan	LT	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jul-23)
8	Fund-based - LT-Cash Credit	LT	-	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (25-Nov-25)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (13-Sep-24)	1)CARE B+; Stable; ISSUER NOT COOPERATING* (21-Jul-23)
9	Fund-based - LT-Term Loan	LT	31.95	CARE BBB+; Stable	-	-	-	-

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

LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-5: List of entities consolidated

Sr. No.	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Olive Ecopak Private Limited	Proportionate	Joint Venture

Source: FY26 annual report

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

Media Contact Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Analytical Contacts Akhil Goyal Director CARE Ratings Limited Phone: +91-22-6754-3590 E-mail: akhil.goyal@careedge.in
Relationship Contact Ankur Sachdeva Senior Director CARE Ratings Limited Phone: +91-22-6754 3444 E-mail: ankur.sachdeva@careedge.in	Raunak Modi Assistant Director CARE Ratings Limited Phone: +91-22-6754-3537 E-mail: raunak.modi@careedge.in
	Lavish Mittal Analyst CARE Ratings Limited E-mail: lavish.mittal@careedge.in

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